



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

*"To Enrich Lives Through Effective And Caring Service"*

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

### ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

July 01, 2014

#16

July 1, 2014

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

SET: July 22, 2014 @ 9:30 a.m.

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:  
WHITEMAN AIRPORT LEASEHOLD INTEREST ACQUISITION PROJECT  
APPROVE CAPITAL PROJECT AND APPROPRIATION ADJUSTMENT  
CAPITAL PROJECT NO. 70183;  
AUTHORIZE THE DIRECTOR OF PUBLIC WORKS TO APPLY FOR AND ACCEPT A STATE  
LOAN FOR PARTIAL FINANCING  
APPROVE AND INSTRUCT THE CHAIR TO SIGN AMENDMENT NO. 1 FOR LEASE  
AGREEMENT NO. 75930 BETWEEN THE COUNTY OF LOS ANGELES AND SPECIALTY AERO  
LEASING, LLC; AND  
APPROVE AND ADOPT A LEASE AGREEMENT BETWEEN  
THE COUNTY OF LOS ANGELES AND VISTA AVIATION, INC.  
THIRD DISTRICT  
(4 VOTES)**

### SUBJECT

The recommended actions will approve the proposed Whiteman Airport Leasehold Interest Acquisition Project, Capital Project No. 70183, and appropriation adjustment; authorize the Director of Public Works, or her designee, to apply for and accept a State loan to partially finance the acquisition; and instruct the Chairman to sign Amendment No. 1 to Lease Agreement No. 75930 between the County of Los Angeles and Specialty Aero Leasing, LLC; and approve and adopt a lease agreement between the County of Los Angeles and Vista Aviation, Inc., at Whiteman Airport in the Pacoima area of the City of Los Angeles.

### **IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed acquisition of a portion of Specialty Aero's leasehold interest as well as the proposed Amendment No. 1 to Lease Agreement No. 75930, the proposed new lease agreement for

Vista Aviation, Inc., the proposed Purchase and Sale Agreement between the County and Specialty Aero Leasing, LLC; and the authorization to apply for and accept an Airport Development Loan from the State of California Department of Transportation, Aeronautics Program are categorically exempt from the California Environmental Quality Act for the reasons stated herein and for the reasons reflected in the record of the Project.

2. Approve the proposed Whiteman Airport Leasehold Interest Acquisition Project, Capital Project No. 70183, with a total Project cost of \$4,020,000.

3. Authorize the Director of Public Works, or her designee, to apply for and accept a low-interest Airport Development Loan from the State of California Department of Transportation, Aeronautics Program, in the amount of \$2,000,000 to partially finance the proposed Whiteman Airport Leasehold Interest Acquisition Project, Capital Project No. 70183.

4. Approve appropriation adjustment to reflect a \$2,000,000 Airport Development Loan from the State of California Department of Transportation, Aeronautics Program, and funding from the Provision of Obligated Fund Balance-Committed for Capital Project in the amount of \$1,657,000 from the Aviation Capital Projects Fund, and a \$363,000 transfer from the Aviation Enterprise Fund to finance the proposed Whiteman Airport Leasehold Interest Acquisition Project No. 70183.

5. Approve the Notice of Intention to acquire a portion of Specialty Aero Leasing, LLC's leasehold interest, which includes approximately 1.04 acres of land containing approximately 28,400 square-feet of improvements at Whiteman Airport.

6. Instruct the Executive Officer of the Board of Supervisors to publish the Notice of Intention in accordance with Government Code Section 6063.

7. Set July 22, 2014, as the date of the public hearing, to receive comments and consummate the purchase of Specialty Aero Leasing, LLC's leasehold interest.

**AFTER THE PUBLIC HEARING, IT IS RECOMMENDED THAT THE BOARD:**

1. Approve the Department of Public Works' purchase of Specialty Aero Leasing, LLC's leasehold interest in approximately 1.04 acres of land containing approximately 28,400 square feet of improvements at Whiteman Airport for a purchase price of not-to-exceed \$4,019,484.

2. Approve and instruct the Chairman of the Board of Supervisors to sign the Purchase and Sale Agreement between the County of Los Angeles and Specialty Aero Leasing, LLC to purchase approximately 1.04 acres of land containing approximately 28,400 square feet of improvements at Whiteman Airport.

3. Authorize the Director of Public Works, or her designee, to execute Amendment No. 1 to Lease Agreement No. 75930 between the County of Los Angeles and Specialty Aero Leasing, LLC, to commence upon the purchase of the Specialty Aero Leasing, LLC, leasehold interest. The Amendment No. 1 to Lease Agreement No. 75930 shall be in the form included in this Board letter.

4. Authorize the Director of Public Works, or her designee, to execute a lease agreement between the County of Los Angeles and Vista Aviation, Inc., to commence upon the purchase of the Specialty Aero Leasing, LLC's leasehold interest. The lease agreement for Vista Aviation, Inc., shall be in the form included in this Board letter.



## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The recommended actions will find the proposed Whiteman Airport Leasehold Interest Acquisition Project (Project) and related actions categorically exempt from the provisions of the California Environmental Quality Act (CEQA); approve the proposed Project and authorize the Department of Public Works (Public Works) to acquire a portion of Specialty Aero Leasing, LLC's (Specialty Aero) leasehold interest to utilize the improvements and appurtenances included in the leasehold interest to serve as a new terminal building; authorize the application for and acceptance of a State loan to partially finance the acquisition; sign the attached Amendment No. 1 to Lease Agreement No. 75930 between the County of Los Angeles and Specialty Aero; and approve and adopt the attached lease agreement between the County and Vista Aviation, Inc. at Whiteman Airport (Airport).

### **Background**

On November 21, 2006, the Board approved Lease Agreement No. 75930 (Lease 75930) between the County and Specialty Aero for the construction and operation of aircraft storage hangars and related aviation office facilities on approximately 4.5 acres of land at the Airport. Lease 75930 is a 40-year term lease with 32 years remaining and expires November 30, 2046.

On May 13, 2008, the Board approved Public Works to undertake a Master Plan Update (Plan) to guide the strategic development of the Airport based on current and forecast demand for products, services, and facilities. The final draft of the Plan presents the findings that the existing terminal facilities are not adequate to meet the forecasted demand at the Airport. While the lengthy process of finalizing the Plan is nearing completion, a final draft of the Plan has been prepared and the associated Airport Layout Plan was approved by the Federal Aviation Administration on January 24, 2011.

Recently, Specialty Aero approached Public Works with a proposal to sell a portion of its leasehold interest (improvements and remaining Lease term) to the County. The portion of the Specialty Aero leasehold offered for sale encompasses approximately 1.04 acres of improved land with improvements and appurtenances, including a recently constructed office building of approximately 12,000 square-feet, two large aircraft maintenance/storage hangars of approximately 7,200 square-feet each, and a paved vehicle-parking area (all of which is referred to herein as the Subject Property). Approximately 7,000 square-feet of the office building and both of the aircraft maintenance hangars are currently occupied by Specialty Aero's lessees, Vista Aviation, Inc. (Vista Aviation) and Vista Air, Inc., and the remaining approximate 5,000 square-feet of office building is used by Specialty Aero for general purpose storage (Storage Space). Upon Board approval of the proposed actions, Lease 75930 will amend the agreement between the County and Specialty Aero and will enter into a new agreement between the County and Vista Aviation to allow Vista Aviation to occupy space in the terminal building and hangars. The Storage Space will be vacated upon execution of the recommended acquisition.

Public Works recommends purchase of the Subject Property and use of the vacated portion of the office building as a terminal building because the acquisition will allow Public Works to avoid the multi-year process and high-cost associated with constructing a new terminal building. With relatively minor alterations, the building will meet Public Works' space requirements and desired attributes for a new terminal building to include space for airport administration offices, a meeting room to accommodate the Los Angeles County Aviation Commission and meetings and a pilots/flight-planning area. If the tenant improvements are determined to be a capital project, Public Works will return to the Board to recommend approval of the scope of work, budget, and schedule.

The purchase price for the Subject Property is \$4,019,484 as negotiated between Public Works and Specialty Aero. The purchase price is comprised of the value of the leasehold interest for the Subject Property of \$3,800,000 as appraised on May 20, 2013, by a certificated real estate appraiser contracted by Public Works; Specialty Aero's early payoff penalties of \$117,648 and \$101,836 for its commercial property loans.

Public Works intends to finance the acquisition of the Subject Property using a low interest Airport Development Loan from the State of California Department of Transportation, Aeronautics Program (Airport Development Loan) in the amount of \$2,000,000 at the current interest rate of 3.655 percent; and \$2,020,000 from Public Works' Aviation Funds.

On October 30, 2013, the Los Angeles County Aviation Commission considered and provided unanimous support of Public Works' proposal to acquire the Subject Property.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1), Fiscal Sustainability (Goal 2), and Integrated Services Delivery (Goal 3). Implementation of the recommended actions will provide an improved and more accommodating facility for airport customers and will support quality public works infrastructure services to the communities.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

The proposed Project cost to acquire the Subject Property is \$4,020,000, which will be funded with a \$2,000,000 Caltrans Airport Development Loan and \$2,020,000 from Public Works' Aviation Funds.

Public Works intends to pay the debt service for the Airport Development Loan with revenue generated by rental income as set forth in the new lease agreement, which will be paid in 11 years. Public Works anticipates rental income of \$170,000 for the first year, which will increase approximately 2.5 percent each year thereafter (Attachment I).

Approval of the appropriation adjustment will reflect the \$2,000,000 Airport Development Loan and funding from the Provision of Obligated Fund Balance-Committed for Capital Projects in the amount of \$1,657,000 from the Aviation Capital Projects (M01) Fund, and a \$363,000 transfer from the Aviation Enterprise (M02) Fund to fully finance the proposed Whiteman Airport Leasehold Interest Acquisition Project No. 70183.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

These activities, including the acquisition of the portion of Specialty Aero's leasehold interest, the application for and acceptance of a State loan, the proposed Amendment No. 1 to Lease Agreement No. 75930, and a lease agreement for Vista Aviation have been approved as to form by County Counsel and as to form and action by Public Works Survey/Mapping and Property Management Division.

On April 10, 2014, the County, in accordance with Government Code Section 65402, provided notification to the City of Los Angeles (City) Planning Department of the County's intent to acquire the real property. On May 7, 2014, the City provided notification to the County that the proposed

acquisition of the Subject Property is in conformance with the City's general plan and zoning regulations.

Additionally, pursuant to Government Code Section 25350, the attached Notice of Intention will be published in accordance with Government Code Section 6063 for three successive weeks prior to the hearing in a newspaper regularly published and circulated in the City once a week or more often, with at least five days intervening between the respective publication dates, not counting publication dates, for the intended action to purchase real property, and a public hearing will be held on July 22, 2014, for the Board to receive comments prior to consummating the acquisition. County Counsel has approved the Notice of Intention document as to form.

## **ENVIRONMENTAL DOCUMENTATION**

The proposed acquisition of a portion of Specialty Aero's leasehold interest as well as the proposed Amendment No. 1 to Lease Agreement No. 75930, the proposed new lease agreement for Vista Aviation, the proposed Purchase and Sale Agreement between the County and Specialty Aero Leasing, LLC and the authorization to apply for and accept an Airport Development Loan are categorically exempt from CEQA. The proposed activities include leasing and operation of an existing public structure with negligible or no expansion of existing use. As such, the recommended actions are within a certain class of projects that have been determined not to have a significant effect on the environment in that it meets the criteria set forth in Section 15301(a) of the State CEQA Guidelines and Classes 1(d) and (r) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. Further, there are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemptions inapplicable based on the project records.

Public Works will return to the Board in the future to recommend consideration of the Plan along with the appropriate environmental documentation.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Exemption with the Registrar-Recorder/County Clerk in accordance with Section 15062 of the State CEQA Guidelines.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

All users of the Airport will benefit from the approval of these actions, which will result in a new terminal building offering enhanced services and facilities to the users of the Airport and to the general public. Such services and facilities include new airport administration offices, a new restaurant/café facility, pilot lounge, state-of-the-art flight planning, and meeting facilities. Additionally, these actions will result in the expedited implementation of various capital improvement and private development projects that will enhance the overall safety and operational capabilities of the Airport.

## **CONCLUSION**

Please return one adopted copy of this Board letter and the signed original agreements, resolution, and Notice of Intention to the Department of Public Works, Aviation Division. Also, please forward one adopted copy of this Board letter and attachments to Chief Executive Office, Facilities and Asset Management Division; the Assessor, Possessory Interest Division; and the Auditor-Controller, General Claims Division.

The Honorable Board of Supervisors

7/1/2014

Page 6

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a long horizontal line extending to the right.

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:SHK:DJT

SW:VM:rp

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Assessor  
Auditor-Controller  
Public Works

**DEPARTMENT OF PUBLIC WORKS:  
RENTS TO AVIATION CAPITAL PROJECTS FUND FROM  
PROPOSED LEASE AGREEMENT WITH VISTA AVIATION, INC.  
AT WHITEMAN AIRPORT**

**Initial Lease Term: 10 Years**  
**Renewal Option: 7 Years**  
**Initial Monthly Rent: \$14,118.27**

Year	Rent*		Running Total
	Monthly	Annual	
1	\$14,118.27	\$169,419.24	\$169,419.24
2	\$14,471.23	\$173,654.76	\$343,074.00
3	\$14,833.01	\$177,996.12	\$521,070.12
4	\$15,203.83	\$182,445.96	\$703,516.08
5	\$15,583.93	\$187,007.16	\$890,523.24
6	\$15,973.53	\$191,682.36	\$1,082,205.60
7	\$16,372.86	\$196,474.32	\$1,278,679.92
8	\$16,782.19	\$201,386.28	\$1,480,066.20
9	\$17,201.74	\$206,420.88	\$1,686,487.08
10	\$17,631.78	\$211,581.36	\$1,898,068.44
11	\$18,072.58	\$216,870.96	\$2,114,939.40
12	\$18,524.39	\$222,292.72	\$2,337,232.10
13	\$18,987.50	\$227,850.00	\$2,565,082.08
14	\$19,462.19	\$233,546.28	\$2,798,628.36
15	\$19,948.75	\$239,385.00	\$3,038,013.36
16	\$20,447.46	\$245,369.52	\$3,283,382.88
17	\$20,958.65	\$251,503.80	\$3,534,886.68

\*Based on an estimated annual Consumer Price Index adjustment of 2.5 percent.

PINK

BA FORM 03/13

BOARD OF  
SUPERVISORS  
OFFICIAL COPY

COUNTY OF LOS ANGELES

**REQUEST FOR APPROPRIATION ADJUSTMENT**

**DEPARTMENT OF PUBLIC WORKS**

DEPT'S.  
NO.

July 1, 2014

**AUDITOR-CONTROLLER:**

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

**ADJUSTMENT REQUESTED AND REASONS THEREFOR**

**FY 2014-15**

**4 - VOTES**

**SOURCES**

**USES**

BA DETAIL - SEE ATTACHMENT  
PAGE 1

BA DETAIL - SEE ATTACHMENT  
PAGE 1

**SOURCES TOTAL: \$ 4,383,000**

**USES TOTAL: \$ 4,383,000**

**JUSTIFICATION**

The appropriation adjustment is necessary to recognize \$2,000,000 loan and funding from the Provisions for Obligated Fund Balance-Committed for Capital Projects of \$1,657,000 (M01) to finance the Whiteman Leasehold Interest Acquisition Project (Capital Project No. 70183) in Aviation Capital Projects Fund (M01). The remaining \$363,000 will be financed by the Aviation Enterprise Fund (M02). Total acquisition costs is \$4,020,000.

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

AUTHORIZED SIGNATURE SABRA WHITE

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

# 16 OF

JUL 01 2014

*A. Hamai*  
A. HAMAI  
EXECUTIVE OFFICER

REFERRED TO THE CHIEF  
EXECUTIVE OFFICER FOR ---

☐ ACTION

☒ RECOMMENDATION

AUDITOR-CONTROLLER

BY

B.A. NO. 002

June 19, 2014

☒ APPROVED AS REQUESTED

☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY

*Sabra White*  
June 19, 2014

#16 OF JUL 01 2014



COUNTY OF LOS ANGELES  
BUDGET ADJUSTMENT  
PUBLIC WORKS

FISCAL YEAR 2014-15  
4 - VOTES

**SOURCES**

PUBLIC WORKS - AIRPORTS

Whiteman Airport Leasehold Interest Acquisition (3)  
M01-CP-96-98XX-65022-70183  
Rev.: Long-Term Debt Proceeds/CP \$2,000,000  
INCREASE REVENUE

PW-Aviation Capital Projects Fund  
M01-3016 \$1,657,000  
Committed for Capital Projects  
DECREASE OBLIGATED FUND BALANCE

PUBLIC WORKS - AIRPORTS

Whiteman Airport Leasehold Interest Acquisition (3)  
M01-CP-96-9919-65022-70183  
Rev.: Operating Transfer In/ CP \$363,000  
INCREASE REVENUE

PW-Aviation Enterprise Fund  
M02-PW-2000-47000  
Services & Supplies \$363,000  
DECREASE APPROPRIATION

**USES**

PUBLIC WORKS - AIRPORTS

Whiteman Airport Leasehold Interest Acquisition (3)  
M01-CP-6014-65022-70183  
Capital Assets - Building & Improvement \$3,540,000  
INCREASE APPROPRIATION

PUBLIC WORKS - AIRPORTS

Whiteman Airport Leasehold Interest Acquisition (3)  
M01-CP-6006-65022-70183  
Capital Assets - Land \$480,000  
INCREASE APPROPRIATION

PW- Aviation Enterprise Fund

M02-PW-6100-47000  
Other Financing Uses \$363,000  
INCREASE APPROPRIATION

Summary Total: \$4,383,000

Summary Total: \$ 4,383,000

**Justification:**

The appropriation adjustment is necessary to recognize \$2,000,000 loan and funding from the Provisions for Obligated Fund Balance-Committed for Capital Projects of \$1,657,000 (M01) to finance the Whiteman Leasehold Interest Acquisition Project (Capital Project No. 70183) in Aviation Capital Projects Fund (M01). The remaining \$363,000 will be financed by the Aviation Enterprise Fund (M02). Total acquisition costs is \$4,020,000.

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

# 16 OF

JUL 01 2014

BA #002  
*[Signature]* June 19, 2014

*[Signature]*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

## EXHIBIT A

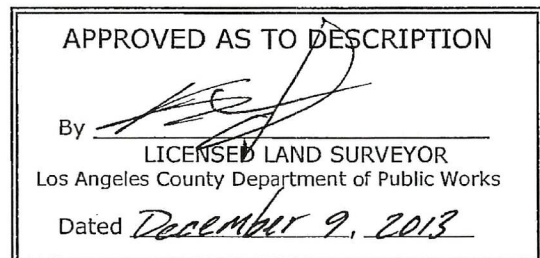
### SUBJECT PROPERTY LEGAL DESCRIPTION

**PARCEL NO. 1-4QC** (Quitclaim of leasing area):

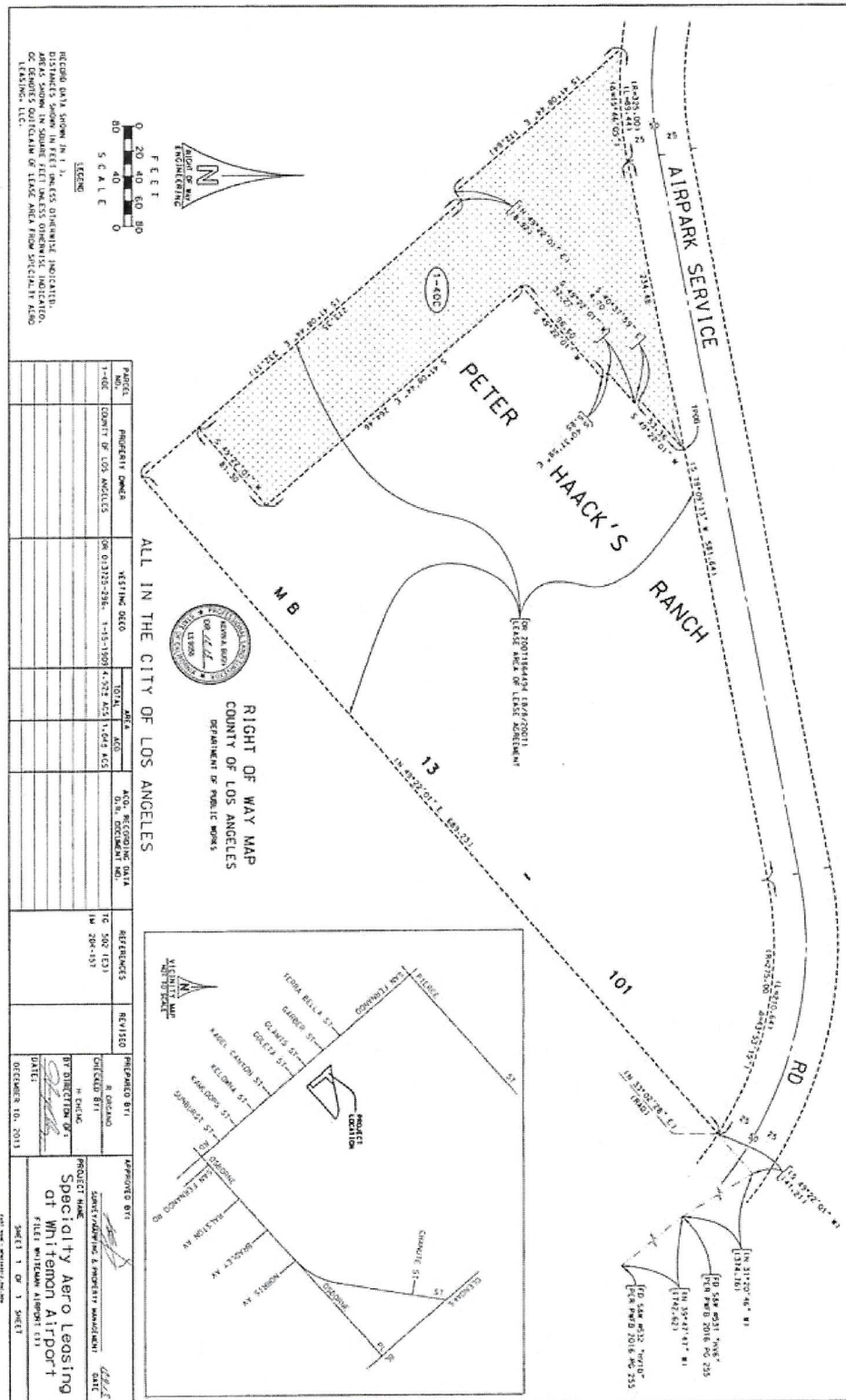
That portion of that certain parcel of land in Map of Peter Haack's Ranch, as shown on map recorded in Book 13, page 101, of Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, described in Lease Agreement between the County of Los Angeles and Specialty Aero Leasing, LLC, recorded as Document No. 20071864494, on August 8, 2007, of Official Records, in the office of said Registrar-Recorder/County Clerk, within the following described boundaries:

Commencing at the westerly terminus of that certain course, having a bearing and length of South 79°09'13" West 581.64 feet in the generally northerly boundary of said certain parcel of land; thence North 79°09'13" East, along said certain course, a distance of 234.48 feet to the TRUE POINT OF BEGINNING; thence South 49°22'01" West 53.36 feet; thence South 40°37'59" East 4.70 feet; thence South 49°22'01" West 32.27 feet; thence South 40°37'59" East 5.85 feet; thence South 49°22'01" West 96.60 feet; thence South 41°08'44" East 264.46 feet; thence South 49°22'01" West 81.30 feet to the generally southwesterly boundary of said certain parcel of land; thence northwesterly and easterly, along said generally southwesterly and generally northerly boundaries, to the TRUE POINT OF BEGINNING.

Containing: 1.04± Acres



# SUBJECT PROPERTY MAP



**EXHIBIT B**

**QUITCLAIM DEED AND BILL OF SALE**

Attached.

RECORDING REQUESTED BY  
AND MAIL TO:

COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC WORKS  
P.O. Box 1460  
Alhambra, CA 91802-1460  
Attention Survey/Mapping & Property  
Management Division  
Title & Escrow Section  
Alan Husted

Space above this line reserved for Recorder's use

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX  
PURSUANT TO SECTION 11922 OF THE REVENUE & TAXATION CODE.

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO  
SECTION 27383 OF THE GOVERNMENT CODE.

Assessor's Identification Number:  
2536-017-906 (Portion)

## QUITCLAIM DEED AND BILL OF SALE

For a valuable consideration, receipt of which is hereby acknowledged, SPECIALTY AERO LEASING, LLC, a California limited liability company (hereinafter referred to as GRANTOR), does hereby remise, release, and forever quitclaim to the COUNTY OF LOS ANGELES, a body corporate and politic (hereinafter referred to as GRANTEE), all its right, title, and interest in and to all that real property in the City of Los Angeles, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

GRANTOR does further sell, convey, and quitclaim to GRANTEE all of its right, title, and interest in and to all of the improvements (whether those improvements are real or personal property) situated within the real property described in said Exhibit A, including, but not limited to. The following:

- the two-story office building of  $\pm 11,986$  square feet, and
- the two (2) aircraft maintenance/storage hangars of  $\pm 7,200$  square feet each.

This conveyance is subject to all matters of record.

The purpose of this instrument is to relinquish any all interest in the herein described real property that is held by said GRANTOR under the Lease Agreement dated November 21, 2006, and recorded August 8, 2007, as Document No. 20071864494, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles. Said lease will be amended in keeping with this action, and the remaining property described in said Lease Agreement is not affected by this instrument.

Dated \_\_\_\_\_

SPECIALTY AERO LEASING, LLC,  
a California limited liability company

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Specialty Aero Leasing at Whiteman Airport  
(File: WHITEMAN AIRPORT (1) Parcel 4QC)  
I.M. 204-157 S.D.3 G6760112  
Project ID: MPM0000458

KR-

QCD & BOS-WHITEMAN AIRPORT 1-4QC.DOCX



**ACKNOWLEDGMENT FORM**

STATE OF CALIFORNIA )

COUNTY OF \_\_\_\_\_ )

) ss.

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public,  
(insert name of the officer) (insert title of the officer)

personally appeared \_\_\_\_\_

\_\_\_\_\_  
(insert name(s) and title(s))

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

NOTARIES: ATTACH ADDITIONAL OR OTHER FORMS, IF REQUIRED

**ACKNOWLEDGMENT FORM  
(FOR COUNTY USE ONLY)**

STATE OF CALIFORNIA )

COUNTY OF LOS ANGELES )

) ss.

On \_\_\_\_\_, before me, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared \_\_\_\_\_

\_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

DEAN C. LOGAN, Registrar-Recorder/  
County Clerk of the County of Los Angeles

By \_\_\_\_\_

Deputy County Clerk

(Seal)

APPROVED as to title and execution,

\_\_\_\_\_, 20\_\_\_\_\_  
DEPARTMENT OF PUBLIC WORKS  
Survey/Mapping & Property Management Division

Supervising Title Examiner

By \_\_\_\_\_

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the within deed or grant is hereby accepted under the authority conferred by Ordinance No. 95-0052, duly and regularly adopted by the Board of Supervisors of the County of Los Angeles on the 26th day of September 1995, and the Grantee consents to the recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

By \_\_\_\_\_

ASSISTANT DEPUTY DIRECTOR  
Survey/Mapping & Property Management Division



## EXHIBIT A

Project Name: Specialty Aero Leasing at Whiteman Airport

**WHITEMAN AIRPORT1-4QC**

A.I.N. 2536-017-906

T.G. 502 (E3)

I.M. 204-157

Third District

G6760112

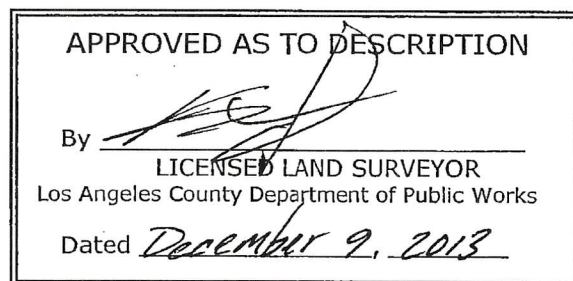
### LEGAL DESCRIPTION

#### PARCEL NO. 1-4QC (Quitclaim of leasing area):

That portion of that certain parcel of land in Map of Peter Haack's Ranch, as shown on map recorded in Book 13, page 101, of Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, described in Lease Agreement between the County of Los Angeles and Specialty Aero Leasing, LLC, recorded as Document No. 20071864494, on August 8, 2007, of Official Records, in the office of said Registrar-Recorder/County Clerk, within the following described boundaries:

Commencing at the westerly terminus of that certain course, having a bearing and length of South 79°09'13" West 581.64 feet in the generally northerly boundary of said certain parcel of land; thence North 79°09'13" East, along said certain course, a distance of 234.48 feet to the TRUE POINT OF BEGINNING; thence South 49°22'01" West 53.36 feet; thence South 40°37'59" East 4.70 feet; thence South 49°22'01" West 32.27 feet; thence South 40°37'59" East 5.85 feet; thence South 49°22'01" West 96.60 feet; thence South 41°08'44" East 264.46 feet; thence South 49°22'01" West 81.30 feet to the generally southwesterly boundary of said certain parcel of land; thence northwesterly and easterly, along said generally southwesterly and generally northerly boundaries, to the TRUE POINT OF BEGINNING.

Containing: 1.04± Acres



**EXHIBIT C**

QUITCLAIM DEED  
VISTA AVIATION, INC.

Attached.

RECORDING REQUESTED BY  
AND MAIL TO:

COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC WORKS  
P.O. Box 1460  
Alhambra, CA 91802-1460  
Attention Survey/Mapping & Property  
Management Division  
Title & Escrow Section  
Alan Husted

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX  
PURSUANT TO SECTION 11922 OF THE REVENUE & TAXATION CODE.

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO  
SECTION 27383 OF THE GOVERNMENT CODE.

*Space above this line reserved for Recorder's use*

Assessor's Identification Number:  
2536-017-906 (Portion)

## QUITCLAIM DEED

For a valuable consideration, receipt of which is hereby acknowledged, VISTA AVIATION INC. (hereinafter referred to as SUBLESSEE), does hereby remise, release, and forever quitclaim to the COUNTY OF LOS ANGELES, a body corporate and politic (hereinafter referred to as COUNTY), all its right, title, and interest in and to the real property in the City of Los Angeles, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

The purpose of this instrument is to relinquish any and all interest in the herein described real property acquired by SUBLESSEE, under an unrecorded Lease dated June 11, 2009, as disclosed by a Subordination Agreement recorded September 8, 2009, as Document No. 20091367606, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles.

IN WITNESS WHEREOF, on \_\_\_\_\_, 20 \_\_\_\_\_, VISTA AVIATION INC. has caused this Quitclaim Deed to be executed by its duly authorized officers pursuant to its by-laws or pursuant to a resolution adopted by its board of directors.

VISTA AVIATION INC.

By \_\_\_\_\_  
President

By \_\_\_\_\_  
Secretary

(Corporate Seal)

Specialty Aero Leasing at Whiteman Airport  
(File: WHITEMAN AIRPORT (1) Parcel 4QC)  
I.M. 204-157 S.D. 3 G6760112  
Project ID: MPM0000458

KR:

QCD-WHITEMAN AIRPORT 1-4QC VISTA AVIATION.DOCX

**ACKNOWLEDGMENT FORM**

STATE OF CALIFORNIA )  
 ) ss.  
 COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public,  
 (insert name of the officer) (insert title of the officer)

personally appeared \_\_\_\_\_  
 \_\_\_\_\_  
 (insert name(s) and title(s))

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
 (Seal)

NOTARIES: ATTACH ADDITIONAL OR OTHER FORMS, IF REQUIRED

**ACKNOWLEDGMENT FORM  
(FOR COUNTY USE ONLY)**

STATE OF CALIFORNIA )  
 ) ss.  
 COUNTY OF LOS ANGELES )

On \_\_\_\_\_, before me, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared \_\_\_\_\_

\_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

DEAN C. LOGAN, Registrar-Recorder/  
 County Clerk of the County of Los Angeles

By \_\_\_\_\_  
 Deputy County Clerk (Seal)

APPROVED as to title and execution,

\_\_\_\_\_, 20\_\_\_\_\_  
 DEPARTMENT OF PUBLIC WORKS  
 Survey/Mapping & Property Management Division  
 Supervising Title Examiner

By \_\_\_\_\_

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the within deed or grant is hereby accepted under the authority conferred by Ordinance No. 95-0052, duly and regularly adopted by the Board of Supervisors of the County of Los Angeles on the 26th day of September 1995, and the Grantee consents to the recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

By \_\_\_\_\_

ASSISTANT DEPUTY DIRECTOR  
 Survey/Mapping & Property Management Division



## EXHIBIT A

Project Name: Specialty Aero Leasing at Whiteman Airport  
**WHITEMAN AIRPORT1-4QC**  
A.I.N. 2536-017-906  
T.G. 502 (E3)  
I.M. 204-157  
Third District  
G6760112

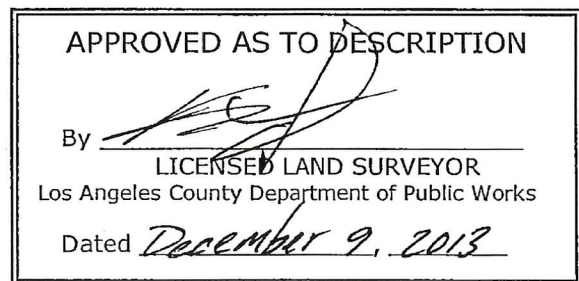
### LEGAL DESCRIPTION

#### PARCEL NO. 1-4QC (Quitclaim of leasing area):

That portion of that certain parcel of land in Map of Peter Haack's Ranch, as shown on map recorded in Book 13, page 101, of Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, described in Lease Agreement between the County of Los Angeles and Specialty Aero Leasing, LLC, recorded as Document No. 20071864494, on August 8, 2007, of Official Records, in the office of said Registrar-Recorder/County Clerk, within the following described boundaries:

Commencing at the westerly terminus of that certain course, having a bearing and length of South 79°09'13" West 581.64 feet in the generally northerly boundary of said certain parcel of land; thence North 79°09'13" East, along said certain course, a distance of 234.48 feet to the TRUE POINT OF BEGINNING; thence South 49°22'01" West 53.36 feet; thence South 40°37'59" East 4.70 feet; thence South 49°22'01" West 32.27 feet; thence South 40°37'59" East 5.85 feet; thence South 49°22'01" West 96.60 feet; thence South 41°08'44" East 264.46 feet; thence South 49°22'01" West 81.30 feet to the generally southwesterly boundary of said certain parcel of land; thence northwesterly and easterly, along said generally southwesterly and generally northerly boundaries, to the TRUE POINT OF BEGINNING.

Containing: 1.04± Acres



**EXHIBIT D**

QUITCLAIM DEED  
VISTA AIR, INC.

Attached.



RECORDING REQUESTED BY  
AND MAIL TO:

COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC WORKS  
P.O. Box 1460  
Alhambra, CA 91802-1460  
Attention Survey/Mapping & Property  
Management Division  
Title & Escrow Section  
Alan Husted

Space above this line reserved for Recorder's use

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX  
PURSUANT TO SECTION 11922 OF THE REVENUE & TAXATION CODE.

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO  
SECTION 27383 OF THE GOVERNMENT CODE.

Assessor's Identification Number:  
2536-017-906 (Portion)

## QUITCLAIM DEED

For a valuable consideration, receipt of which is hereby acknowledged, VISTA AIR, INC. (hereinafter referred to as SUBLESSEE), does hereby remise, release, and forever quitclaim to the COUNTY OF LOS ANGELES, a body corporate and politic (hereinafter referred to as COUNTY), all its right, title, and interest in and to the real property in the City of Los Angeles, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

The purpose of this instrument is to relinquish any and all interest in the herein described real property acquired by SUBLESSEE, under an unrecorded Lease dated June 11, 2009, as disclosed by a Subordination Agreement recorded September 8, 2009, as Document No. 20091367607, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles.

IN WITNESS WHEREOF, on \_\_\_\_\_, 20 \_\_\_\_\_, VISTA AIR, INC. has caused this Quitclaim Deed to be executed by its duly authorized officers pursuant to its by-laws or pursuant to a resolution adopted by its board of directors.

VISTA AIR, INC.

By \_\_\_\_\_  
President

By \_\_\_\_\_  
Secretary

(Corporate Seal)

Specialty Aero Leasing at Whiteman Airport  
(File: WHITEMAN AIRPORT (1) Parcel 4QC)  
I.M. 204-157 S.D. 3 G6760112  
Project ID: MPM0000458

KR:  
QCD-WHITEMAN AIRPDRT 1-4QC VISTA AIR.DOCX

**ACKNOWLEDGMENT FORM**

STATE OF CALIFORNIA )

COUNTY OF \_\_\_\_\_ )

) ss.

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public,  
 (insert name of the officer) (insert title of the officer)

personally appeared \_\_\_\_\_  
 \_\_\_\_\_  
 (insert name(s) and title(s))

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

NOTARIES: ATTACH ADDITIONAL OR OTHER FORMS, IF REQUIRED

**ACKNOWLEDGMENT FORM  
(FOR COUNTY USE ONLY)**

STATE OF CALIFORNIA )

COUNTY OF LOS ANGELES )

) ss.

On \_\_\_\_\_, before me, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared \_\_\_\_\_

\_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

DEAN C. LOGAN, Registrar-Recorder/  
County Clerk of the County of Los Angeles

By \_\_\_\_\_  
Deputy County Clerk

(Seal)

APPROVED as to title and execution,

\_\_\_\_\_, 20\_\_\_\_\_  
DEPARTMENT OF PUBLIC WORKS  
Survey/Mapping & Property Management Division  
Supervising Title Examiner

By \_\_\_\_\_

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the within deed or grant is hereby accepted under the authority conferred by Ordinance No. 95-0052, duly and regularly adopted by the Board of Supervisors of the County of Los Angeles on the 26th day of September 1995, and the Grantee consents to the recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

By \_\_\_\_\_

ASSISTANT DEPUTY DIRECTOR  
Survey/Mapping & Property Management Division

## EXHIBIT A

Project Name: Specialty Aero Leasing at Whiteman Airport

**WHITEMAN AIRPORT1-4QC**

A.I.N. 2536-017-906

T.G. 502 (E3)

I.M. 204-157

Third District

G6760112

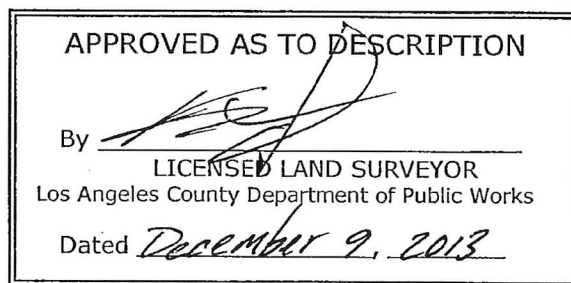
### LEGAL DESCRIPTION

#### PARCEL NO. 1-4QC (Quitclaim of leasing area):

That portion of that certain parcel of land in Map of Peter Haack's Ranch, as shown on map recorded in Book 13, page 101, of Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, described in Lease Agreement between the County of Los Angeles and Specialty Aero Leasing, LLC, recorded as Document No. 20071864494, on August 8, 2007, of Official Records, in the office of said Registrar-Recorder/County Clerk, within the following described boundaries:

Commencing at the westerly terminus of that certain course, having a bearing and length of South 79°09'13" West 581.64 feet in the generally northerly boundary of said certain parcel of land; thence North 79°09'13" East, along said certain course, a distance of 234.48 feet to the TRUE POINT OF BEGINNING; thence South 49°22'01" West 53.36 feet; thence South 40°37'59" East 4.70 feet; thence South 49°22'01" West 32.27 feet; thence South 40°37'59" East 5.85 feet; thence South 49°22'01" West 96.60 feet; thence South 41°08'44" East 264.46 feet; thence South 49°22'01" West 81.30 feet to the generally southwesterly boundary of said certain parcel of land; thence northwesterly and easterly, along said generally southwesterly and generally northerly boundaries, to the TRUE POINT OF BEGINNING.

Containing: 1.04± Acres



**EXHIBIT E**

AMENDMENT NO. 1 TO  
LEASE AGREEMENT NO. 75930

Attached.



**AMENDMENT NO. 1 TO LEASE AGREEMENT NO. 75930  
TO REFLECT A REDUCTION IN LEASED PREMISES AND  
RENTS AND FEES SUBSEQUENT TO THE SALE OF A PORTION OF THE  
LEASEHOLD INTEREST TO THE COUNTY OF LOS ANGELES  
AT WHITEMAN AIRPORT, PACOIMA, CALIFORNIA**

THIS AMENDMENT NO. 1 TO LEASE NO. 75930 at Whiteman Airport is made and entered into on this 31<sup>st</sup> day of July 2014 and shall become effective upon the "Closing" as defined in the Purchase and Sale Agreement attached as Exhibit A-2,

BY AND BETWEEN

**COUNTY OF LOS ANGELES**, a body corporate and politic (hereinafter referred to as "County"),

AND

**SPECIALTY AERO LEASING, LLC**  
(hereinafter referred to as "Lessee"),

WITNESSETH

WHEREAS, County and Lessee entered into Lease Agreement No. 75930 on November 21, 2006, for the construction and operation of an office building and aircraft storage hangars on approximately 196,822 square feet ( $\pm 4.52$  acres) of unimproved land at Whiteman Airport, Pacoima, California for a forty (40) year term; and

WHEREAS, Lessee has improved the land area under Lease Agreement No. 75930 to include a two-story office building of approximately 11,986 square feet, two (2) aircraft maintenance/storage hangars of approximately 7,200 square feet each, five (5) structures comprised of square and t-shaped aircraft storage hangars, and vehicle parking areas; and

WHEREAS, Lessee desires to sell to County, and County desires to purchase, a portion of the leasehold interest in Lease Agreement No. 75930 through a purchase and sale agreement. The land and improvements to be acquired by the County and removed from Lease Agreement No. 75930 through this Amendment No. 1 include approximately 45,302 square feet ( $\pm 1.04$  acres) of land, the two-story office building, the two aircraft maintenance/storage hangars, and the vehicle-parking areas; and

WHEREAS, the County and Lessee mutually desire to amend Lease Agreement No. 75930 to reflect the reduction in leased premises and rents and fees following County's acquisition of the portion of Lessee's leasehold interest in Lease Agreement No. 75930.

NOW, THEREFORE, in consideration of the payment of rent and performance of the terms, covenants, and conditions hereinafter contained, to be kept and performed by the respective parties hereto, it is mutually agreed that Lease Agreement 75930 be amended as follows:

1. **SECTIONS 2.1 through 2.3 – LEASED PREMISES** are deleted in their entirety and replaced with the following:

"2.1 Upon the 'Closing' as defined in Section 13 of the Purchase and Sale Agreement attached to this Lease as Exhibit A-2, the Leased Premises, which is shown on Exhibit A-1, shall consist of approximately 151,520 square feet ( $\pm 3.48$  acres) of improved land containing five (5) structures comprised of square and t-shaped aircraft storage hangars."

2. **SECTIONS 3.1.1 through 3.1.11 – USE OF LEASED PREMISES** are deleted in their entirety and replaced with the following:

"3.1 For the commercial and non-commercial storage of aircraft in hangars."

3. **SECTIONS 4.1 through 4.3 – RENTS AND FEES** are deleted in their entirety and replaced with the following:

"4.1 Upon the effective date of Amendment No. 1 to the Lease, Lessee agrees to pay to County or Manager a monthly rent of \$4,545.60 (151,520 square feet x \$0.03 per square foot per month) for the use and occupancy of the Leased Premises herein granted."

4. **SECTION 4.8. – RENTS AND FEES** is deleted in its entirety.

5. This Amendment No. 1 shall be effective upon the Closing as defined in Section 13 of the Purchase and Sale Agreement attached as Exhibit A-2.

6. It is mutually understood and agreed that all other terms and conditions and provisions of the original Lease Agreement No. 75930 shall remain in full force and effect except as herein expressly modified.

**The remainder of this page intentionally left blank.**



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers, duly authorized by SPECIALTY AERO LEASING, LLC, on May 5, 2014, and by the COUNTY OF LOS ANGELES on July 31, 2014.



COUNTY OF LOS ANGELES

By Don Krabe  
Chairman, Board of Supervisors

ATTEST:

SACHI A. HAMAI  
Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

COUNTY OF LOS ANGELES

AUG 05 2014  
By [Signature]  
Deputy

By [Signature]  
Director of Public Works

APPROVED AS TO FORM:

JOHN F. KRATTLI  
County Counsel

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

# 4 OF JUL 22 2014

By [Signature]  
Deputy

Sachi A. Hamai  
SACHI A. HAMAI  
EXECUTIVE OFFICER

AGREED:

JOHN RHODES  
Specialty Aero Leasing, LLC

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made

By [Signature]  
Lessee

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors

By [Signature]  
Deputy

78224

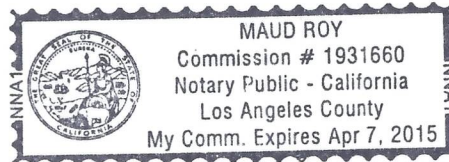
## ACKNOWLEDGMENT

State of California  
County of **Los Angeles** ss.

On **May,05, 2014** before me, **Maud Roy, Notary Public**, personally appeared **John Duncan Rhodes** who proved to me on the basis of satisfactory evidence to be the person whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies) and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature

(seal)

## OPTIONAL INFORMATION

Date of Document \_\_\_\_\_ Thumbprint of Signer \_\_\_\_\_

Type or Title of Document **SPECIALTY AERO LEASE AGREEMENT WHITEMAN AIRPORT**

Number of Pages in Document \_\_\_\_\_

Document in a Foreign Language \_\_\_\_\_

Type of Satisfactory Evidence:

- ☐ Personally Known with Paper Identification  
☐ Paper Identification  
☐ Credible Witness(es)

Capacity of Signer:

- ☐ Trustee  
☐ Power of Attorney  
☐ CEO / CFO / COO  
☐ President / Vice-President / Secretary / Treasurer  
☐ Other: \_\_\_\_\_

☐ Check here if  
no thumbprint  
or fingerprint  
is available.

Other Information: \_\_\_\_\_





**EXHIBIT A-2**  
**Purchase and Sale Agreement**

Attached.

## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement"), dated for reference purposes only as of July 22, 2014, is entered into by and between the County of Los Angeles ("**Buyer**"), a body corporate and politic, and Specialty Aero Leasing, LLC, a corporation organized and existing under the laws of the State of California ("**Seller**").

### RECITALS

- A. Under Lease Agreement No. 75930, Seller leases approximately 196,822 square feet of land area from the Buyer at Whiteman Airport, 10000 Airpark Way, Pacoima, California for a forty (40)-year period, which commenced on November 21, 2006, and will terminate on November 30, 2046.
- B. Seller is the beneficiary of loans with Zions First National Bank and CDC Small Business Finance Corporation (its "**Lenders**") which were used to improve the land area under Lease Agreement No. 75930. The Seller's estimated outstanding balance on its loan with Zions First National Bank is \$2,089,015.00 with an estimated early payoff penalty ("**Prepayment Fee**") of \$117,648.00. The Seller's estimated outstanding balance on its loan with CDC Small Business Finance Corporation is \$1,440,138.00 with an estimated Prepayment Fee of \$101,836.00.
- C. Seller has improved the land area under Lease Agreement No. 75930 (the "**Leased Premises**") to include a two-story office building of approximately 11,986 square feet, two (2) aircraft maintenance/storage hangars of approximately 7,200 square feet each, five (5) structures comprised of square and t-shaped aircraft storage hangars, and vehicle-parking areas.
- D. Seller has made an offer to Buyer to sell to Buyer a portion of its leasehold interest in Lease Agreement No. 75930 of approximately 1.04 acres of land in the westernmost corner of its leased premises as described on Exhibits A and A-1 of its Lease Agreement No. 75930 and all of the improvements and appurtenances thereon ("**Subject Property**"). As described in Exhibits A and A-1 of this Agreement, the Subject Property includes, but is not limited to, the two-story office building, the two (2) aircraft maintenance/storage hangars, and the vehicle-parking areas.
- E. Buyer accepts Seller's offer and agrees to purchase Seller's leasehold interest in the Subject Property conditional upon the terms and conditions described in this Agreement.
- F. Mr. John Rhodes is the owner of Specialty Aero Leasing, LLC, and California corporations Vista Aviation, Inc., and Vista Air, Inc., which

78224

occupy a portion of the Leased Premises through unrecorded sublease agreements with the Seller.

- G. Consistent with this Agreement and subsequent to the Closing as defined in this Agreement, Vista Aviation, Inc., will enter into a new lease agreement with Buyer to occupy a portion of the Subject Property. Mr. John Rhodes has indicated to Buyer that he desires to have Vista Air, Inc., continue to occupy a portion of the Subject Property through a sublease with Vista Aviation, Inc. which Buyer does not object to as long as Vista Air, Inc., is in full compliance with Buyer's new lease agreement with Vista Aviation, Inc.
- H. These Recitals shall be incorporated into the terms and conditions of this Agreement.

### AGREEMENT

The terms and conditions of this Agreement for the Buyer and Seller (the "**Parties**"), are as follows:

1. Purchase and Sale: Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the leasehold interest in the Subject Property located at 10000 Airpark Way, Pacoima, California, as more particularly described in Exhibits A and A-1 of this Agreement.
2. Purchase Price: The Purchase Price for the leasehold interest for the Subject Property shall not exceed four million, nineteen thousand, four hundred and eighty-four dollars (\$4,019,484.00). This Purchase Price is comprised of the \$3,800,000.00 appraised value of the leasehold interest for the Subject Property and the Seller's estimated Prepayment Fees for its commercial loans with its Lenders. If the Seller's Prepayment Fees are less than \$219,484.00, then the Purchase Price will include the \$3,800,000.00 appraised value and the lower amount of the Seller's actual Prepayment Fees.
  - a. The Buyer agrees to pay the Seller's loan balances with its Lenders as described herein and the associated Prepayment Penalties directly to its Lenders.
    - i. After paying the Lenders, any remaining balance of the Purchase Price will be paid by the Buyer directly to the Seller.
3. Date of Purchase: The date of purchase shall not exceed 180 days from the Parties' execution of this Agreement.



4. Covenants: The Parties agree as follows:
- a. The Seller agrees that the offer to sell is irrevocable for 180 days from the Parties' execution of this Agreement and that if its early payoff penalties are greater than \$219,483.65 then Seller will pay for the excess at Closing. At the sole discretion of the Seller, such excess early payoff penalty, if any, may be withheld from the Buyer's payment of \$4,019,483.65.
  - b. The Buyer agrees to either secure an escrow company or act in conformity with an escrow company to ensure that the monies are timely paid to the Seller and/or its Lenders, and that any recording required will be done simultaneously, or as near as simultaneously as possible, so as to maintain the security interest of each party until completion of the sale at Closing.
  - c. The Parties mutually agree that this Agreement is contingent upon all conditions to Closing contained in Sections 11 and 12 being met or waived. In the event that the conditions to Closing contained in Sections 11 and 12 are not met or waived, all Parties are only responsible for their own fees and costs and there is no liability of any kind for either party arising out of, or related to, this Agreement, including economic damages, equitable relief, or any other possible remedy.
5. Condition of Title: Other than as indicated in this Agreement or as disclosed in any documentation or information provided by Seller to Buyer prior to the Parties execution of this Agreement, to Seller's actual knowledge: a) there are no unrecorded leases or other contracts affecting title; and b) there are no unrecorded claims to title.
6. Title Documents: The following documents ("**Title Documents**") shall be properly executed in order to clear title to the area being quitclaimed by Seller for the Subject Property. It is the Seller's responsibility to ensure that these Title Documents are properly and timely executed consistent with this Agreement.
- a. A Quitclaim Deed & Bill of Sale from Specialty Aero Leasing, LLC, a California limited liability company, to the County of Los Angeles, a body corporate and politic for the area to be quitclaimed and the improvements within that area.
  - b. A Partial Reconveyance document by which Zions First National Bank, as Trustee, can reconvey its interest in the area to be quitclaimed under a Deed of Trust dated July 27, 2007, executed by Specialty Aero Leasing, LLC, a California limited liability company,

recorded August 15, 2007, as Document No. 20071910855, of Official Records.

- c. A Request for Partial Reconveyance document by which Zions First National Bank, as beneficiary, can request that the trustee reconvey its interest in the area to be quitclaimed under a Deed of Trust dated July 27, 2007, executed by Specialty Aero Leasing, LLC, a California limited liability company, recorded August 15, 2007, as Document No. 20071910855, of Official Records.
- d. A Partial Reconveyance document by which Western Resources Title Company, a California corporation, as Trustee, can reconvey its interest in the area to be quitclaimed under a Deed of Trust dated September 1, 2009, executed by Specialty Aero Leasing, LLC, a California limited liability company, recorded September 8, 2009, as Document No. 20091367603, of Official Records.
- e. A Request for Partial Reconveyance document by which United States Small Business Administration as beneficiary, can request that the trustee reconvey its interest in the area to be quitclaimed under a Deed of Trust dated September 1, 2009, executed by Specialty Aero Leasing, LLC, a California limited liability company, recorded September 8, 2009, as Document No. 20091367603, of Official Records.
- f. A Partial Release of Lien document by which Zions First National Bank, and Certified Development Company, CDC Small Business Finance can release their interest in the area to be quitclaimed under a lien created by a Third Party Lender Agreement dated July 1, 2009, and recorded September 8, 2009, as Document No. 20091367608, of Official Records.
- g. A Quitclaim Deed from Vista Aviation, Inc. to the County of Los Angeles, a body corporate and politic, to quitclaim its interest in an unrecorded sublease, dated June 11, 2009, as disclosed by a Subordination Agreement recorded September 8, 2009, as Document No. 20091367606, of Official Records.
- h. A Quitclaim Deed from Vista Air, Inc., to the County of Los Angeles, a body corporate and politic, to quitclaim its interest in an unrecorded sublease, dated June 11, 2009, as disclosed by a Subordination Agreement recorded September 8, 2009, as Document No. 20091367607, of Official Records.



7. Execution of Purchase and Sale: The following actions shall be undertaken in order to properly execute the Purchase and Sale of the leasehold interest for the Subject Property:
- a. Within thirty (30) days of the approval and execution of this Agreement by Buyer, the Parties shall open an escrow ("**Escrow**") with an Escrow Company of Buyer's choosing (the "**Escrow Holder**"). All Escrow costs shall be borne by the Buyer. Escrow shall be deemed open on the date that a fully executed copy of this Agreement is delivered to the Escrow Holder. The Parties shall execute and deliver to Escrow Holder, within five (5) business days of receipt, such escrow instructions prepared by Escrow Holder as may be required to consummate the transaction contemplated by this Agreement. Any such instructions shall not conflict with, amend, or supersede any provisions of this Agreement. If there is any inconsistency between such instructions and this Agreement, this Agreement shall control unless the Parties expressly agree, in writing, otherwise.
  - b. Within thirty (30) days of Seller's receipt of the unexecuted Quitclaim Deed and Bill of Sale and Quitclaim Deeds for Vista Aviation, Inc. and Vista Air, Inc., Seller shall:
    - i. terminate its sublease agreements with Vista Aviation, Inc., and Vista Air, Inc., and ensure that Vista Aviation, Inc., properly executes the Lease Agreement with the Buyer shown in Exhibit G;
    - ii. deliver to Buyer the fully executed Quitclaim Deed and Bill of Sale and Quitclaim Deeds for Vista Aviation, Inc. and Vista Air, Inc., and
    - iii. ensure that the Title Documents are properly executed and delivered to Buyer.
8. Due Diligence Items: Seller will cooperate with Buyer to provide any documents deemed necessary by Buyer to facilitate its purchase of the Subject Property. Seller shall provide to Buyer access to the following documents, to the extent said documents exist and are in the possession of, or reasonably available to, Seller within ten (10) calendar days of the opening of Escrow:
- a. Copies of all leases, contracts, or documents entered into by Seller which are in effect as of the date of this Agreement or may still affect the Subject Property as of the Closing.

- b. Copies of all reports relating to the Subject Property, including without limitation, any surveys, soils reports, environmental reports, all permits, approvals, certificates and inspection reports relating to the improvements on the Subject Property, given or issued by any State and/or local agency having jurisdiction, and a completed set of "As-Built" construction drawings for all improvements, including building, electrical and plumbing, security systems and other appurtenances on the Subject Property.
  - c. Copies of all certificate(s) of occupancy.
- 9. Disclosure: Prior to Closing, Seller shall provide Buyer with a Real Estate Transfer Disclosure Statement per California Civil Code disclosing to Buyer all features and related conditions of the Subject Property and all known material facts that may affect the Subject Property's value, desirability, and intended use.
- 10. Lease Amendment: In connection with the completion of the transaction contemplated by this Agreement, Lease Agreement No. 75930 shall be amended to, among other things, remove the Subject Property from the leased premises and reduce the rents and fees accordingly. The Parties shall each execute Amendment No. 1 to Lease Agreement No. 75930, attached hereto as Exhibit E, to be effective as of the Closing.
- 11. Seller's Conditions to Closing: Seller's obligation to consummate the transaction contemplated by this Agreement is conditioned upon: (i) Buyer's representations, warranties and covenants being true and correct as of the Closing; and (ii) Buyer's deposit of the Purchase Price in Escrow. Upon nonsatisfaction of any one of the above conditions, Seller shall allow Buyer a reasonable opportunity to cure by any reasonable method; if Buyer fails to cure, Seller may, in writing, terminate this Agreement and the Parties shall have no further obligations pursuant to this Agreement.
- 12. Buyer's Conditions to Closing: Buyer's obligation to consummate the transaction contemplated by this Agreement is conditioned upon: (i) Seller causing the full execution and delivery into Escrow of the Title Documents; (ii) Seller's compliance with Section 7.B.; (iii) Seller providing Buyer all documents required by section 8; (iv) the Parties have executed and deposited into Escrow Amendment No. 1 to Lease Agreement No. 75930; (v) Buyer's representations, warranties, and covenants being true and correct as of the Closing. Upon nonsatisfaction of any one of the above conditions, Seller shall allow Buyer a reasonable opportunity to cure by any reasonable method; if Buyer fails to cure, Seller may, in writing, terminate this Agreement, and thereafter the Parties shall have no further obligations pursuant to this Agreement.



13. Closing: For purposes of this Agreement, the "Closing" shall occur when Buyer's and Seller's conditions to closing are met and all documents and funds necessary to complete the transaction in accordance with this Agreement have been deposited in Escrow. The Parties agree to use their best efforts to effect the Closing no later than sixty (60) days following the deposit of this Agreement into Escrow. The Parties may agree in writing to extend the Closing beyond that date, if such an extension appears to either Party to be necessary, but in no event shall the Closing be extended beyond 180 days of the approval and execution of this Agreement by Buyer.
14. Possession: Buyer shall be entitled to the exclusive right of occupancy to the Subject Property as of the Closing. On or before the Closing, Seller shall provide Buyer with the keys or other means to operate all of Seller's locks and alarms on the Subject Property. Any of Seller's personal property remaining after the transfer of the Subject Property to the Buyer will be deemed abandoned and Buyer shall have no liability for its loss or destruction.
15. Maintenance of the Property: Between the Seller's execution of this Agreement and the Closing, Seller shall maintain the Subject Property in good order, condition, and repair.
16. Notices: All notices, consents, and approvals required or desired to be given by the Parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is: (i) delivered personally, by messenger, courier, or Process Server; or (ii) deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, with return receipt requested, addressed to the recipient at the address set forth below:
- To Buyer: Chief, Aviation Division  
Department of Public Works  
P.O. Box 1460  
Alhambra, CA 91802-1460
- To Seller: Mr. John Rhodes  
Specialty Aero Leasing, LLC  
10000 Airpark Way  
Pacoima, CA 91331  
(818) 896-6442 Office
17. Brokers: The Parties hereby acknowledge and represent that there are no broker's commission or finder's fees due in connection with this transaction. Each party shall indemnify and hold the other party harmless from any claim of any broker, agent, or finder, licensed or otherwise,

claiming through, under, or by reason of the conduct of either party with respect to the transaction contemplated hereunder.

18. Buyer's and Seller's Representations and Warranties: In consideration of the Parties entering into this Agreement, the Parties make the following representations and warranties, each of which is material and is being relied upon by Buyer and Seller and the truth and accuracy of which shall constitute a condition precedent to Buyer's and Seller's obligations hereunder. Each of the following representations and warranties shall be deemed to have been remade as of the Closing.
- a. Power: The Parties have the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated hereby.
  - b. Requisite Action: All requisite action has been taken by the Parties in connection with entering into this Agreement and the instruments taken to authorize the consummation of this transaction. By the Closing, no additional consent of any person or entity, judicial or administrative body, governmental authority or other party shall be required for the Parties to consummate this transaction.
  - c. Individual Authority: The individuals executing this Agreement and the instruments referenced herein on behalf of the Parties have the legal power, right, and actual authority to bind the Parties to the terms and conditions.
  - d. Validity: This Agreement and all documents required hereby to be executed by the Parties are and shall be valid, legally binding obligations of and enforceable against the Parties in accordance with their terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium laws, or similar laws or equitable principles affecting or limiting the right of contracting parties generally.
  - e. Violations: The Parties have no present actual knowledge of any outstanding, uncured, written notice or citation, in regard to the Subject Property, from applicable governmental authorities of violation or any applicable codes, environmental zoning and land use laws, subdivision laws, and other applicable Federal, State, and local laws, regulations and ordinances, including, but not limited to, those relating to environmental conditions, hazardous materials, or wastes, toxic materials, or wastes or other similar materials or wastes.
  - f. Litigation: The Parties have no present actual knowledge of any litigation pending or threatened against the Parties on any basis therefore that arises out of the ownership of the Subject Property or



that might detrimentally affect the Subject Property or adversely affect the ability of the Parties to perform their obligations under this Agreement.

19. Maintenance of the Subject Property: Between the Seller's execution of this Agreement and the Closing, Seller shall maintain the Subject Property in good order, condition and repair, subject to Section 18.
20. Loss by Fire or Other Casualty: Seller shall maintain fire and casualty insurance on the Subject Property in full force until the Closing. In the event that, prior to Closing, the Subject Property or any part thereof, is destroyed or damaged, and the cost of repair or cure is \$300,000 or less, the proceeds of any payment and any applicable deductible under any insurance policies shall be applied toward the payment of the Purchase Price to the extent such insurance payments have been received by Seller and Seller shall assign to Buyer all of Seller's right, title, and interest in any unpaid payments. If the cost of repair or cure is more than \$300,000, Buyer shall have the right, exercisable by giving notice of such decision to Seller within fifteen (15) days after receiving written notice of such damage or destruction, to terminate this Agreement. If Buyer does not elect to terminate this Agreement pursuant to the immediately preceding sentence, then the proceeds of any payment and any applicable deductible under any insurance policies shall be applied toward the payment of the Purchase Price to the extent such insurance payments have been received by Seller and Seller shall assign to Buyer all of Seller's right, title, and interest in any unpaid payments.
21. Inspection of the Site:
  - a. Seller agrees to provide Buyer and/or Buyer's employees, representatives and agents with access to the Subject Property, upon reasonable notice, to conduct any inspections Buyer deems appropriate at any time prior to Closing.
  - b. Buyer shall not engage in any destructive testing during any inspection of the Subject Property without the written consent of Seller.
22. Condition of Property: Buyer acknowledges that neither Seller, its agents, employees nor its other representatives have made any representations or warranties to Buyer regarding any matter relating to the Property, except as set forth in Section 14, including but not limited to the Property's condition, fitness, environmental conditions, adequacy of design, suitability for a particular purpose, the effect of zoning and other applicable laws, regulations and governmental rulings, or the accuracy, completeness, or relevance or any materials or information regarding the Subject Property

provided by Seller. Buyer agrees that Buyer is relying exclusively on Buyer's own independent investigation of such matters.

23. Rights of Way: It is the intent of the Seller and Buyer that suitable rights of way will be identified and conveyed for establishing and maintaining buildings, utilities, and equipment to/from the Subject Property and the Seller's leasehold subsequent to the sale of a portion of its leasehold interest as described in this Agreement. Utilities include aboveground or underground electrical power, telecommunications, water, and sewer lines. The locations and conveyances of rights of way shall be mutually agreed upon by both parties. Such rights of way shall not be unreasonably withheld by either the Seller or the Buyer.
24. Rights of Access: Buyer agrees to provide Seller with reasonable access across the vehicle-parking areas on the Subject Property to facilitate access to the Seller's vehicle access gate. Seller agrees to provide Buyer, its officers, employees or agents with reasonable access to and use of Seller's vehicle access gate.
25. Required Actions of the Parties: The Parties agree to execute all such instruments and documents and to take all actions pursuant to the provisions hereof in order to consummate this transaction and shall use their best efforts to effect the Closing in accordance with the provisions hereof.
26. Entire Agreement: This Agreement contains the entire agreement between the Parties hereto and no addition or modification or any term or provision shall be effective unless set forth in writing, signed by both Seller and Buyer.
27. California Law: This Agreement shall be construed in accordance with the laws of the State of California.
28. Waivers: No waiver by either party of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provision.
29. Captions: The captions and the section and subsection numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections of this Agreement or in any way affect this Agreement.
30. Severability: Any provision of this Agreement that shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provisions hereof, and such other provisions shall remain in full force and effect.



31. Binding Effect: The provisions of this Agreement shall be binding upon the parties hereto and their respective successors-in-interest.
32. No Presumption Re: Drafter: The Parties acknowledge and agree that the terms and provisions of this Agreement have been negotiated and discussed between the Parties and their attorneys, and this Agreement reflects their mutual agreement regarding the same. Because of the nature of such negotiations and discussions, it would be inappropriate to deem any party to the drafter of this Agreement, and therefore, no presumption for or against validity or as to any interpretation hereof, based upon the identity of the drafter shall be applicable in interpreting or enforcing this Agreement.
33. Assistance of Counsel: Each party hereto either had the assistance or counsel or had counsel available to it, in the negotiation for, and the execution of, this Agreement, and all related documents.

**The remainder of this page is intentionally left blank.**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective officers, duly authorized by SPECIALTY AERO LEASING, LLC, on May 5, 2014, and by the COUNTY OF LOS ANGELES on July 22, 2014.

COUNTY OF LOS ANGELES

By Don Krattli  
Chairman, Board of Supervisors



ATTEST:

SACHI A. HAMAI  
Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By [Signature]  
Deputy

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

APPROVED AS TO FORM:

# 4 0 F

JUL 22 2014

JOHN F. KRATTLI  
County Counsel

Sachi A. Hamai  
SACHI A. HAMAI  
EXECUTIVE OFFICER

By [Signature]  
Deputy

AGREED:

SPECIALTY AERO LEASING, LLC  
a California Corporation

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

By John Rhodes  
John Rhodes

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors

By [Signature]  
Deputy

## ACKNOWLEDGMENT

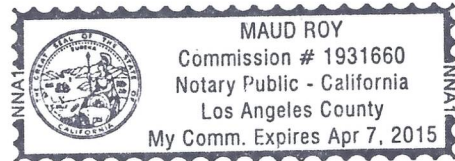
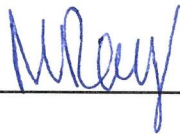
State of California  
County of **Los Angeles** ss.

On May,05, 2014 before me, **Maud Roy, Notary Public**, personally appeared **John Duncan Rhodes** who proved to me on the basis of satisfactory evidence to be the person whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies) and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(seal)

## OPTIONAL INFORMATION

Date of Document \_\_\_\_\_

Thumbprint of Signer

Type or Title of Document **PURCHASE AND SALE AGREEMENT**

Number of Pages in Document \_\_\_\_\_

Document in a Foreign Language \_\_\_\_\_

Type of Satisfactory Evidence:

- ☐ Personally Known with Paper Identification  
☐ Paper Identification  
☐ Credible Witness(es)

Capacity of Signer:

- ☐ Trustee  
☐ Power of Attorney  
☐ CEO / CFO / COO  
☐ President / Vice-President / Secretary / Treasurer  
☐ Other: \_\_\_\_\_

☐ Check here if  
no thumbprint  
or fingerprint  
is available.

Other Information: \_\_\_\_\_

**EXHIBIT F**

**TITLE DOCUMENTS**

Attached.



RECORDING REQUESTED BY  
AND MAIL TO:

COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC WORKS  
P.O. Box 1460  
Alhambra, CA 91802-1460  
Attention Survey/Mapping & Property  
Management Division  
Title & Escrow Section  
Alan Husted

*Space Above This Line Reserved for Recorder's Use*

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION  
27383 OF THE GOVERNMENT CODE.

THIS DOCUMENT IS BEING RECORDED TO CLEAR THE TITLE TO LAND BEING  
VESTED IN THE COUNTY OF LOS ANGELES.

Assessor's Identification Number:  
2536-017-906 (Portion)

## PARTIAL RECONVEYANCE

Reconveyance No. \_\_\_\_\_

WESTERN RESOURCES TITLE COMPANY, a California corporation, as Trustee under a Deed of Trust dated September 1, 2009, executed by Specialty Aero Leasing, LLC, a California limited liability company, recorded September 8, 2009, as Document No. 20091367603, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, State of California, having received from the Beneficiary thereunder a written request to reconvey, in accordance with the terms of said Deed of Trust, all estate now held by said Trustee under said Deed of Trust in and to the hereinafter described real property, said Beneficiary having presented said Deed of Trust for endorsement.

NOW THEREFORE, in accordance with said request and the provisions of said Deed of Trust, WESTERN RESOURCES TITLE COMPANY, a California corporation, as Trustee, does hereby reconvey, without warranty, to the person or persons legally entitled thereto, all estate now held by it thereunder in and to the real property in the City of Los Angeles, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

The remaining property described in said Deed of Trust shall continue to be held by said Trustee, under the terms thereof. As provided in said Deed of Trust, this Partial Reconveyance is made without affecting the personal liability of any person for payment of the indebtedness secured by said Deed of Trust.

IN WITNESS WHEREOF, on \_\_\_\_\_, 20\_\_\_\_\_,  
WESTERN RESOURCES TITLE COMPANY, a California corporation, has caused this Quitclaim Deed to be executed by its duly authorized officers pursuant to its by-laws or pursuant to a resolution adopted by its board of directors.

Dated \_\_\_\_\_

WESTERN RESOURCES TITLE COMPANY,  
a California corporation

By \_\_\_\_\_  
President

By \_\_\_\_\_  
Secretary

(Corporate Seal)

KR:

ptl recon-Whiteman Airport 1-4QC Western.docx

Specialty Aero Leasing at Whiteman Airport  
(File: WHITEMAN AIRPORT (1))  
Parcel 4QC I.M. 204-157 G6760112  
S.D.3 Project ID:MPM0000458

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_)

personally appeared \_\_\_\_\_

[illegible]

## EXHIBIT A

Project Name: Specialty Aero Leasing at Whiteman Airport

**WHITEMAN AIRPORT1-4QC**

A.I.N. 2536-017-906

T.G. 502 (E3)

I.M. 204-157

Third District

G6760112

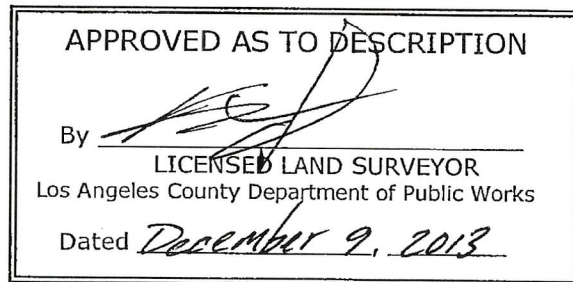
### LEGAL DESCRIPTION

#### PARCEL NO. 1-4QC (Quitclaim of leasing area):

That portion of that certain parcel of land in Map of Peter Haack's Ranch, as shown on map recorded in Book 13, page 101, of Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, described in Lease Agreement between the County of Los Angeles and Specialty Aero Leasing, LLC, recorded as Document No. 20071864494, on August 8, 2007, of Official Records, in the office of said Registrar-Recorder/County Clerk, within the following described boundaries:

Commencing at the westerly terminus of that certain course, having a bearing and length of South 79°09'13" West 581.64 feet in the generally northerly boundary of said certain parcel of land; thence North 79°09'13" East, along said certain course, a distance of 234.48 feet to the TRUE POINT OF BEGINNING; thence South 49°22'01" West 53.36 feet; thence South 40°37'59" East 4.70 feet; thence South 49°22'01" West 32.27 feet; thence South 40°37'59" East 5.85 feet; thence South 49°22'01" West 96.60 feet; thence South 41°08'44" East 264.46 feet; thence South 49°22'01" West 81.30 feet to the generally southwesterly boundary of said certain parcel of land; thence northwesterly and easterly, along said generally southwesterly and generally northerly boundaries, to the TRUE POINT OF BEGINNING.

Containing: 1.04± Acres





RECORDING REQUESTED BY  
AND MAIL TO:

COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC WORKS  
P.O. Box 1460  
Alhambra, CA 91802-1460  
Attention Survey/Mapping & Property  
Management Division  
Title & Escrow Section  
Alan Husted

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION  
27383 OF THE GOVERNMENT CODE.

THIS DOCUMENT IS BEING RECORDED TO CLEAR THE TITLE TO LAND BEING  
VESTED IN THE COUNTY OF LOS ANGELES.

*Space Above This Line Reserved for Recorder's Use*

Assessor's Identification Number:  
2536-017-906 (Portion)

## PARTIAL RECONVEYANCE

Reconveyance No. \_\_\_\_\_

ZIONS FIRST NATIONAL BANK, as Trustee under a Deed of Trust dated July 27, 2007, executed by Specialty Aero Leasing, LLC, a California limited liability company, recorded August 15, 2007, as Document No. 20071910855, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, State of California, having received from the Beneficiary thereunder a written request to reconvey, in accordance with the terms of said Deed of Trust, all estate now held by said Trustee under said Deed of Trust in and to the hereinafter described real property, said Beneficiary having presented said Deed of Trust for endorsement.

NOW THEREFORE, in accordance with said request and the provisions of said Deed of Trust, Zions First National Bank, as Trustee, does hereby reconvey, without warranty, to the person or persons legally entitled thereto, all estate now held by it thereunder in and to the real property in the City of Los Angeles, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

The remaining property described in said Deed of Trust shall continue to be held by said Trustee, under the terms thereof. As provided in said Deed of Trust, this Partial Reconveyance is made without affecting the personal liability of any person for payment of the indebtedness secured by said Deed of Trust.

Dated \_\_\_\_\_

Zions First National Bank

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Specialty Aero Leasing at Whiteman Airport  
(File: WHITEMAN AIRPORT (1) Parcel 4QC)  
I.M. 204-157 S.D. 3 G6760112  
Project ID No. MPM0000458

KR:

PTL RECON-WHITEMAN AIRPORT 1-4QC ZIONS.DOCX



STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_)

personally appeared \_\_\_\_\_

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

(Seal)

**ACKNOWLEDGMENT FORM  
(FOR COUNTY USE ONLY)**

STATE OF CALIFORNIA           )  
COUNTY OF LOS ANGELES      ) ss.

On \_\_\_\_\_, before me, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared \_\_\_\_\_

\_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

DEAN C. LOGAN, Registrar-Recorder/  
County Clerk of the County of Los Angeles

By \_\_\_\_\_  
Deputy County Clerk

APPROVED as to title and execution,

\_\_\_\_\_, 20\_\_\_\_.  
DEPARTMENT OF PUBLIC WORKS  
Survey/Mapping & Property Management Division

Supervising Title Examiner

By \_\_\_\_\_

(Seal)

## EXHIBIT A

Project Name: Specialty Aero Leasing at Whiteman Airport  
**WHITEMAN AIRPORT 1-4QC**

A.I.N. 2536-017-906

T.G. 502 (E3)

I.M. 204-157

Third District

G6760112

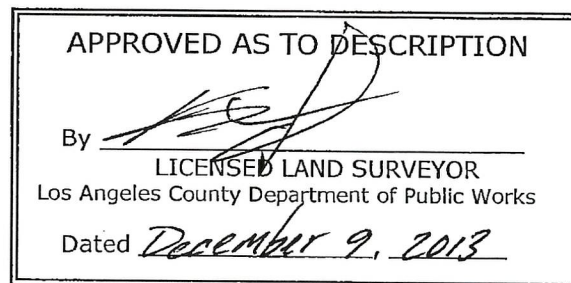
### LEGAL DESCRIPTION

#### PARCEL NO. 1-4QC (Quitclaim of leasing area):

That portion of that certain parcel of land in Map of Peter Haack's Ranch, as shown on map recorded in Book 13, page 101, of Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, described in Lease Agreement between the County of Los Angeles and Specialty Aero Leasing, LLC, recorded as Document No. 20071864494, on August 8, 2007, of Official Records, in the office of said Registrar-Recorder/County Clerk, within the following described boundaries:

Commencing at the westerly terminus of that certain course, having a bearing and length of South 79°09'13" West 581.64 feet in the generally northerly boundary of said certain parcel of land; thence North 79°09'13" East, along said certain course, a distance of 234.48 feet to the TRUE POINT OF BEGINNING; thence South 49°22'01" West 53.36 feet; thence South 40°37'59" East 4.70 feet; thence South 49°22'01" West 32.27 feet; thence South 40°37'59" East 5.85 feet; thence South 49°22'01" West 96.60 feet; thence South 41°08'44" East 264.46 feet; thence South 49°22'01" West 81.30 feet to the generally southwesterly boundary of said certain parcel of land; thence northwesterly and easterly, along said generally southwesterly and generally northerly boundaries, to the TRUE POINT OF BEGINNING.

Containing: 1.04± Acres



RECORDING REQUESTED BY:

County of Los Angeles  
Department of Public Works

AND WHEN RECORDED MAIL TO:

COUNTY OF LOS ANGELES  
P.O. BOX 1460  
Alhambra, CA 91802-1460  
Attention Survey/Mapping & Property  
Management Division  
Title & Escrow Section  
Alan Husted

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT  
TO SECTION 27383 OF THE GOVERNMENT CODE.

Assessor's Identification Numbers:  
2536-017-906 (Portion)

## PARTIAL RELEASE OF LIEN

WHEREAS, Specialty Aero Leasing, LLC, a California limited liability company, is the lessee under a Lease Agreement dated November 21, 2006, and recorded August 8, 2007, as Document No. 20071864494, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles (hereinafter referred to as SAL); and

WHEREAS, SAL desires to quitclaim its interest in a portion of the real property described in said Lease Agreement; and

WHEREAS, SAL, as borrower, CERTIFIED DEVELOPMENT COMPANY, CDC Small Business Finance (hereinafter referred to as CDC), and ZIONS FIRST NATIONAL BANK, as Third Party Lender (hereinafter referred to as ZIONS) did execute a Third Party Lender Agreement dated July 1, 2009, and recorded September 8, 2009, as Document No. 20091367608, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, State of California, affecting the real property described in said Lease Agreement;

NOW THEREFORE, in accordance with said request ZIONS FIRST NATIONAL BANK, and CERTIFIED DEVELOPMENT COMPANY, CDC SMALL BUSINESS FINANCE, do hereby release, without warranty, to the person or persons legally entitled thereto, any lien created by said Third Party Lender Agreement in and to all that real property in the City of Los Angeles, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

Dated \_\_\_\_\_

Zions First National Bank

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Certified Development Company,  
CDC Small Business Finance

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Specialty Aero Leasing at Whiteman Airport  
(File: WHITEMAN AIRPORT (1) Parcel 4QC)  
Parcel 4QC I.M. 204-157 G6760112  
S.D. 3 Project ID: MPM0000458

KR:

ptl release-Whiteman Airport 1-4QC.docx



**ACKNOWLEDGMENT FORM**

STATE OF CALIFORNIA                    )  
  ) ss.  
COUNTY OF \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public,  
(insert name of the officer) (insert title of the officer)

personally appeared \_\_\_\_\_

\_\_\_\_\_  
(insert name(s) and title(s))

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

NOTARIES: ATTACH ADDITIONAL OR OTHER FORMS, IF REQUIRED

**ACKNOWLEDGMENT FORM  
(FOR COUNTY USE ONLY)**

STATE OF CALIFORNIA                    )  
  ) ss.  
COUNTY OF LOS ANGELES            )

On \_\_\_\_\_, before me, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared \_\_\_\_\_

\_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal.

DEAN C. LOGAN, Registrar-Recorder/  
County Clerk of the County of Los Angeles

By \_\_\_\_\_  
Deputy County Clerk

APPROVED as to title and execution,

\_\_\_\_\_, 20\_\_\_\_\_  
DEPARTMENT OF PUBLIC WORKS  
Survey/Mapping & Property Management Division

Supervising Title Examiner

By \_\_\_\_\_

(Seal)



## EXHIBIT A

Project Name: Specialty Aero Leasing at Whiteman Airport

**WHITEMAN AIRPORT1-4QC**

A.I.N. 2536-017-906

T.G. 502 (E3)

I.M. 204-157

Third District

G6760112

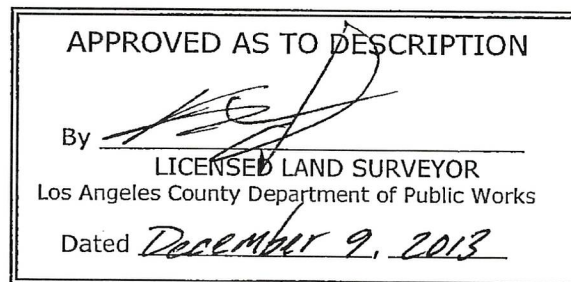
### LEGAL DESCRIPTION

#### PARCEL NO. 1-4QC (Quitclaim of leasing area):

That portion of that certain parcel of land in Map of Peter Haack's Ranch, as shown on map recorded in Book 13, page 101, of Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, described in Lease Agreement between the County of Los Angeles and Specialty Aero Leasing, LLC, recorded as Document No. 20071864494, on August 8, 2007, of Official Records, in the office of said Registrar-Recorder/County Clerk, within the following described boundaries:

Commencing at the westerly terminus of that certain course, having a bearing and length of South 79°09'13" West 581.64 feet in the generally northerly boundary of said certain parcel of land; thence North 79°09'13" East, along said certain course, a distance of 234.48 feet to the TRUE POINT OF BEGINNING; thence South 49°22'01" West 53.36 feet; thence South 40°37'59" East 4.70 feet; thence South 49°22'01" West 32.27 feet; thence South 40°37'59" East 5.85 feet; thence South 49°22'01" West 96.60 feet; thence South 41°08'44" East 264.46 feet; thence South 49°22'01" West 81.30 feet to the generally southwesterly boundary of said certain parcel of land; thence northwesterly and easterly, along said generally southwesterly and generally northerly boundaries, to the TRUE POINT OF BEGINNING.

Containing: 1.04± Acres



## REQUEST FOR PARTIAL RECONVEYANCE

A Partial Reconveyance will be made only upon presentation to WESTERN RESOURCES TITLE COMPANY, a California corporation, of the original note for endorsement and Deed of Trust securing same, and upon presentation of this Request properly signed, together with the Partial Reconveyance fee.

WESTERN RESOURCES TITLE COMPANY, a California corporation, Trustee

Register No. \_\_\_\_\_

The undersigned is the legal owner of the obligations and indebtedness secured by Deed of Trust dated September 1, 2009, executed by the Specialty Aero Leasing, LLC, a California limited liability company, as Trustor, and recorded September 8, 2009, as Document No. 20091367603, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, State of California.

You are hereby requested, in accordance with the terms of said Deed of Trust, to reconvey, without warranty, to "the entity or entities legally entitled thereto", the estate now held by you thereunder in and to that portion of the property described in said Deed of Trust, located in the City of Los Angeles, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

The making of such partial reconveyance shall be endorsed by you upon said note and Deed of Trust, which are herewith presented to you for that purpose.

Dated \_\_\_\_\_

\_\_\_\_\_  
United States Small Business Administration

Return Deed of Trust and note to:

\_\_\_\_\_  
Address  
\_\_\_\_\_

Mail Reconveyance to:

\_\_\_\_\_  
Address  
\_\_\_\_\_

KR:

req ptl recon-Whiteman Airport 1-4QC Western.docx

## EXHIBIT A

Project Name: Specialty Aero Leasing at Whiteman Airport  
**WHITEMAN AIRPORT1-4QC**

A.I.N. 2536-017-906

T.G. 502 (E3)

I.M. 204-157

Third District

G6760112

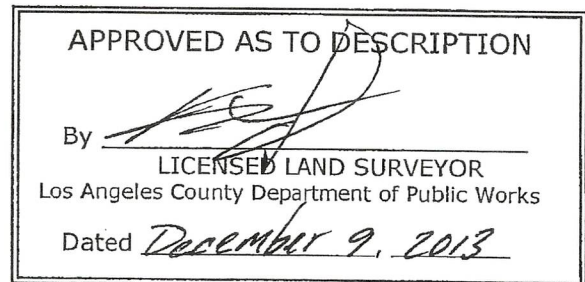
### LEGAL DESCRIPTION

#### PARCEL NO. 1-4QC (Quitclaim of leasing area):

That portion of that certain parcel of land in Map of Peter Haack's Ranch, as shown on map recorded in Book 13, page 101, of Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, described in Lease Agreement between the County of Los Angeles and Specialty Aero Leasing, LLC, recorded as Document No. 20071864494, on August 8, 2007, of Official Records, in the office of said Registrar-Recorder/County Clerk, within the following described boundaries:

Commencing at the westerly terminus of that certain course, having a bearing and length of South 79°09'13" West 581.64 feet in the generally northerly boundary of said certain parcel of land; thence North 79°09'13" East, along said certain course, a distance of 234.48 feet to the TRUE POINT OF BEGINNING; thence South 49°22'01" West 53.36 feet; thence South 40°37'59" East 4.70 feet; thence South 49°22'01" West 32.27 feet; thence South 40°37'59" East 5.85 feet; thence South 49°22'01" West 96.60 feet; thence South 41°08'44" East 264.46 feet; thence South 49°22'01" West 81.30 feet to the generally southwesterly boundary of said certain parcel of land; thence northwesterly and easterly, along said generally southwesterly and generally northerly boundaries, to the TRUE POINT OF BEGINNING.

Containing: 1.04± Acres





## REQUEST FOR PARTIAL RECONVEYANCE

A Partial Reconveyance will be made only upon presentation to ZIONS FIRST NATIONAL BANK, of the original note for endorsement and Deed of Trust securing same, and upon presentation of this Request properly signed, together with the Partial Reconveyance fee.

ZIONS FIRST NATIONAL BANK, Trustee

Register No. \_\_\_\_\_

The undersigned is the legal owner of the obligations and indebtedness secured by Deed of Trust dated July 27, 2007, executed by the Specialty Aero Leasing, LLC, a California limited liability company, as Trustor, and recorded August 15, 2007, as Document No. 20071910855, of Official Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, State of California.

You are hereby requested, in accordance with the terms of said Deed of Trust, to reconvey, without warranty, to "the entity or entities legally entitled thereto", the estate now held by you thereunder in and to that portion of the property described in said Deed of Trust, located in the City of Los Angeles, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

The making of such partial reconveyance shall be endorsed by you upon said note and Deed of Trust, which are herewith presented to you for that purpose.

Dated \_\_\_\_\_

\_\_\_\_\_  
Zions First National Bank

Return Deed of Trust and note to:

\_\_\_\_\_  
Address  
\_\_\_\_\_

Mail Reconveyance to:

\_\_\_\_\_  
Address  
\_\_\_\_\_

KR:

REQ PTL RECON-WHITEMAN AIRPORT 1-4QC ZIONS.DOCX



## EXHIBIT A

Project Name: Specialty Aero Leasing at Whiteman Airport  
**WHITEMAN AIRPORT1-4QC**

A.I.N. 2536-017-906

T.G. 502 (E3)

I.M. 204-157

Third District

G6760112

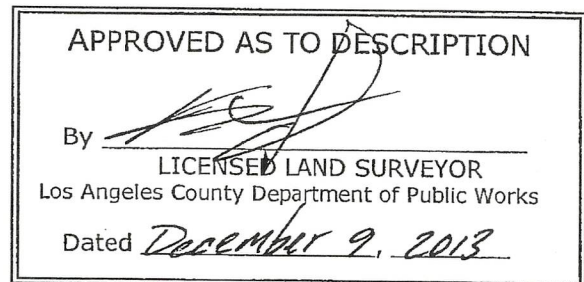
### LEGAL DESCRIPTION

#### PARCEL NO. 1-4QC (Quitclaim of leasing area):

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Commencing at the westerly terminus of that certain course, having a bearing and length of South 79°09'13" West 581.64 feet in the generally northerly boundary of said certain parcel of land; thence North 79°09'13" East, along said certain course, a distance of 234.48 feet to the TRUE POINT OF BEGINNING; thence South 49°22'01" West 53.36 feet; thence South 40°37'59" East 4.70 feet; thence South 49°22'01" West 32.27 feet; thence South 40°37'59" East 5.85 feet; thence South 49°22'01" West 96.60 feet; thence South 41°08'44" East 264.46 feet; thence South 49°22'01" West 81.30 feet to the generally southwesterly boundary of said certain parcel of land; thence northwesterly and easterly, along said generally southwesterly and generally northerly boundaries, to the TRUE POINT OF BEGINNING.

Containing: 1.04± Acres



**EXHIBIT G**

LEASE AGREEMENT BETWEEN  
COUNTY OF LOS ANGELES AND VISTA AVIATION, INC.

Attached.

**LEASE AGREEMENT**  
**BETWEEN**  
**THE COUNTY OF LOS ANGELES**  
**AND**  
**VISTA AVIATION, INC.**  
**FOR PREMISES AT**  
**WHITEMAN AIRPORT**  
**10000 Airpark Way**  
**Pacoima, CA 91331**

78224

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COUNTY OF LOS ANGELES  
STATE OF CALIFORNIA

**LEASE AGREEMENT**

THIS LEASE AGREEMENT (the "Lease") made and entered into this 31<sup>st</sup> day of July, 2014, by and between the County of Los Angeles ("County"), a body corporate and politic, and Vista Aviation, Inc., a corporation organized and existing under the laws of the State of California, hereinafter referred to as "Lessee",

**WITNESSETH:**

**WHEREAS**, the County of Los Angeles is the owner of Whiteman Airport (the "Airport"); and,

**WHEREAS**, County may, at its discretion, use the services of a designated Contract Airport Manager from time to time, hereinafter referred to as "Manager," for the purpose of collecting the rent payments, performing other property management functions, and enforcing the Airport rules and regulations; and,

**WHEREAS**, the County and Lessee mutually agree to enter into a lease for the use and occupancy of certain areas at the Airport as shown on Exhibit A, together with all buildings, structures, Improvements, additions and permanent installations constructed and installed therein or thereon (hereinafter called the "Leased Premises").

**NOW, THEREFORE**, for, and in consideration of, the respective promises and mutual agreements made by the Parties hereto, hereinafter set forth, the County hereby grants to the Lessee the right to use and occupy the Leased Premises upon the following terms and conditions mutually agreed as follows:

**SECTION 1**  
**TERM**

- 1.1 The term of this Lease shall be for a ten (10)-year period commencing and effective on \_\_\_\_\_, 2014 ("Commencement Date"), and expiring on June 30, 2024, hereinafter referred to as "Original Term," unless sooner terminated in accordance with the provisions hereof.
- 1.2 Lessee shall have the right to renew this Lease for an additional period of seven (7) years, commencing upon the expiration of the Original Term, by the giving of prior written notice of Lessee's intent to renew the Lease to the Director of the Department of Public Works of the County of Los Angeles (the "Director") no later than 90 days prior to the expiration of the Lease term, provided that any such renewal shall be upon standard terms, conditions, and provisions then in effect at the Airport.

**SECTION 2**  
**LEASED PREMISES**

- 2.1 The Leased Premises, as shown on Exhibit A, consists of:
- 2.1.1 office/shop space of approximately 4,695 square feet on the ground floor of the Terminal Building;
  - 2.1.2 office space of approximately 91 square feet on the second floor of the Terminal Building;
  - 2.1.3 two (2) Aircraft Maintenance/Storage Hangars of approximately 7,200 square feet each;
  - 2.1.4 Common Area to be shared with County, consistent with the terms of use described on Exhibit B of this Lease, of approximately 1,207 square feet on the ground floor of the Terminal Building to include the reception areas, public restrooms, lounge area and flight planning room;
  - 2.1.5 Common Area to be shared with County, consistent with the terms of use described on Exhibit B of this Lease, of approximately 35 square feet on the second floor of the Terminal Building for phone/data storage; and
  - 2.1.6 twenty-five (25) aircraft tie-downs.

**SECTION 3**  
**APPROVED USES**

- 3.1 The Lessee shall continuously occupy the Leased Premises and may use the Leased Premises for the following purposes herein after "Approved Uses" and for no other purpose whatsoever:
- 3.1.1 For the sale, maintenance, repair and refurbishment of aircraft, aircraft parts, avionics, and aircraft instruments and accessories;
  - 3.1.2 For aircraft rental and flight training;
  - 3.1.3 For aerial tours and banner towing;
  - 3.1.4 For aircraft charter and management;
  - 3.1.5 For aircraft washing and detailing;
  - 3.1.6 For the sale of pilot supplies;
  - 3.1.7 For the storage of aircraft on tie-downs or in hangar(s);



- 3.1.8 For the subleasing of hangar, tie-down and office space;
  - 3.1.9 For providing passenger and aircraft crew and ground support services;
  - 3.1.10 For the retail sale of aviation lubricants and fuels (JetA and 100LL);
  - 3.1.11 For the parking of automobiles and other vehicles operated by Lessee, its sublessees and their invitees within the hangar and in designated parking areas on the Leased Premises, but not for vehicle storage;
  - 3.1.12 For its business and operations offices in connection with purposes authorized herein;
  - 3.1.13 For any other activities directly related to activities permitted herein, and other specialized aviation services or uses that may hereafter be permitted and authorized by Director in writing. Lessee shall not use the Leased Premises, or any portion thereof, for any other purpose unless Director or Manager approves such use in advance, in writing. County reserves the right to charge standard rates and fees for any of these other permitted uses.
- 3.2 Lessee shall not use the Leased Premises, or any portion thereof, for any purpose other than the Approved Uses in this Section 3 herein, unless Director or Manager approves such use in advance, in writing. Unapproved uses shall constitute a material breach of this Lease and shall be subject to an immediate default. Lessee also shall not permit use of the Leased Premises for residential use or construction of residential dwellings inside of hangars. The Parties acknowledge that non-aeronautical commercial activities are temporary, and may not displace aeronautical uses of airport facilities. Such non-aeronautical uses may be subject to the approval of the Federal Aviation Administration under applicable law and regulations, and written approval of Director, in his/her sole discretion, and are revocable by Director or Manager at any time during this Lease with a 5-day advance notice to Lessee.
- 3.3 County reserves the right to charge standard rates and fees, including fees specified in Section 4 hereof, for uses other than these Approved Uses which it may permit. Lessee agrees to pay a non-negotiable rental surcharge for all approved non-aeronautical activities conducted on the Leased Premises, in the minimum amount of \$0.08 per square foot per month for space occupied by non-aeronautical use, unless a more appropriate rate is otherwise agreed to by Director and Manager, in their sole discretion. Lessee shall be liable to County for any rates and fees, including surcharges, imposed by County for non-aeronautical uses, from the date of the non-aeronautical occupancy.

**SECTION 4**  
**RENTS AND FEES**

- 4.1 For Use and Occupancy of the Leased Premises herein granted, the Lessee agrees to pay to County or Manager during the term of this Lease, a monthly rent of \$14,118.27. Upon execution of this Lease, Lessee shall pre-pay the first month's payment to the County or Manager in the amount of \$14,118.27.
- 4.2 Effective on July 1, 2015 and on July 1st of each succeeding year of this Lease, the annual rental payable hereunder shall be adjusted by the Consumer Price Index ("Index"), as hereinafter defined, as follows:
- 4.2.1 The previous year's rent shall be adjusted by that percentage increase reported in the Index for that twelve (12)-month period taken ninety (90) days prior to the date the annual adjustment is due. The product of the previous year's rent and the Index percentage is the amount payable to County or Manager. As soon as the adjusted rent for each year is determined, Director or Manager shall give Lessee written notice of the amount of the adjusted rent. If the adjusted rent is not finally determined until after the commencement of the successive year, Lessee shall nevertheless pay County or Manager at the rate of the former year's rent, but only as a credit against the amount of the adjusted rental when finally determined.
- 4.3 The term Index, as used herein, shall mean the Consumer Price Index for all Urban Consumers, All Items, for the Los Angeles-Riverside-Orange County area, as published by the Bureau of Labor Statistics of the United States Department of Labor, 1982-84 base = 100. In the event the base year is changed, the CPI shall be converted to the equivalent of the base year [1982-84 =100].
- 4.3.1 If the described Index is no longer published, another index generally recognized as authoritative shall be substituted as selected by the Chief Officer of the Bureau of Labor Statistics of the United States Department of Labor, or its successors. If no such government index or computation is offered as a replacement, Director and Lessee shall mutually select a percentage for calculating future annual adjustments.
- 4.4 Notwithstanding anything to the contrary contained in this Lease, the rental payable to County or Manager shall never be adjusted to an amount less than the previous year's rent, or increased more than 4% from the previous years' rent, adjusted in accordance with the provisions of this Section 4.
- 4.5 In the event the rent adjustment process is not completed prior to the beginning of a new lease year, Lessee shall continue to pay at the rate in effect at the beginning of the adjustment period until the adjusted rent is determined. Upon determination of the adjusted rent, Lessee shall pay the adjusted rent for all subsequent months and shall pay to Manager the difference between the amount



paid between the beginning of the new lease year and the amount of the rent as adjusted for that period.

- 4.6 Any delay or failure of County or Manager in increasing Rent under Section 4 shall not (a) constitute a waiver of County's or Manager's right to subsequently increase the Rent and collect such Rent retroactively as contemplated by this Section 4; or (b) in any way waive or impair the continuing obligations of Lessee under this Section 4.
- 4.7 The monthly rent shall be paid on the first day of each month in advance at the office of the Airport Manager, made payable to Manager, or at such other office as may be directed in writing by Director or Manager.
- 4.8 Until such time that Lessee's Leased Premises in the Terminal Building is separately metered for electricity, Lessee agrees to pay County or Manager, during the term of this Lease, a monthly non-negotiable Electricity Fee of \$1,900 for its use of electricity in the Terminal Building. Should Lessee's Leased Premises in the Terminal Building become separately metered for electricity during the term of this Lease, Lessee shall be fully responsible for paying its monthly electricity bills directly to the Los Angeles Department of Water and Power.
  - 4.8.1 With the exception of Lessee's responsibility for its electricity consumption in the Terminal Building as described in Section 4.8, Lessee is fully responsible for all of the electricity furnished to the Leased Premises.
- 4.9 In addition to all other rents and fees set forth in this Section, and commencing upon the Commencement Date of the Lease, the Lessee shall pay to County or Manager any other standard fees or charges, including fuel flowage fees, that may be set, or imposed at any time by County on the operations at the Airport, which charges shall be applicable to all similar users at the Airport. All commercial uses shall be subject to the rates and fees established for each use at the Airport. No tenant shall operate a commercial business on the Airport without a permit and payment of the applicable fee.
- 4.10 Lessee acknowledges that late payment by Lessee to County or Manager of any Lease fees will cause County or Manager to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Therefore, if any installment of Lease fees due from Lessee is not received by the tenth (10<sup>th</sup>) day after the due date, Lessee shall pay to County or Manager an additional sum of Five Percent (5%) of the amount due as an administrative processing charge. The Parties agree that this processing fee represents a fair and reasonable estimate of the costs that County or Manager will incur by reason of late payment by Lessee. Acceptance of any processing fee shall not constitute a waiver of Lessee's default with respect to the overdue amount, or prevent County or Manager from exercising any of the other rights and remedies available to County or Manager. Lease fees not paid when due shall bear simple

interest from date due until paid, at the rate of One-and-One-Half Percent (1.5%) per month.

## **SECTION 5**

### **SECURITY DEPOSIT**

- 5.1 Upon execution of the Lease, Lessee shall pay a Security Deposit equal to one (1) months' rent (\$14,118.27). This sum shall be retained by County or Manager as a guarantee to cover delinquent rent or other charges and may be so applied. In the event all or any part of said sum so deposited is applied against any charge due and unpaid, Lessee shall immediately reimburse said deposit upon demand by County or Manager so that at all times during the life of this Lease said deposit shall be maintained.
- 5.2 If Lessee fully and faithfully complies with all terms, provisions, covenants and conditions of this Lease, the Security Deposit shall be returned to Lessee at the expiration of the Lease term, or an accounting given by County or Manager as to the complete or partial use thereof within fourteen (14) days of Lessee's surrender of the Leased Premises.

## **SECTION 6**

### **ACCEPTANCE, CARE, MAINTENANCE**

### **IMPROVEMENTS AND REPAIR**

- 6.1 Lessee warrants that it has inspected the Leased Premises, and subject to the foregoing representations by the County, accepts possession of the Leased Premises and any Improvements thereon, if any, "as is" in its present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration and by ordinances of County, and admits its suitability and sufficiency for the uses permitted hereunder. Except as may otherwise be provided for herein, County shall not be required to maintain nor to make any Improvements, repairs, or restorations of any kind upon, or to, the Leased Premises, or to any of the Improvements presently located thereon. County shall never have any obligation to repair, maintain or restore, during the term of this Lease, any Improvements placed upon the Leased Premises by Lessee, its successors and assigns.
- 6.2 Lessee shall, throughout the term of this Lease, assume the entire responsibility, cost and expense for all repair and maintenance on the Leased Premises and all Improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, Lessee, without limiting the generality hereof, shall:
- 6.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all Improvements thereon, and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises; and



- 6.2.2 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law; and
  - 6.2.3 Repair any damage caused by Lessee or its invitees, tenants, or contractors to paving, soils, water or other parts of the Leased Premises caused by any oil, gasoline, grease, lubricants, solvents, flammable liquids, or substances having a corrosive or detrimental effect thereon, and to remediate any release caused by Lessee or any of its invitees, tenants or contractors of any substance that has a harmful effect on human health or the environment as determined by any regulatory agency, or as stated in Section 10 herein; and
  - 6.2.4 Take measures to prevent erosion, including, but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and, in particular, shall plant, maintain and replant any landscaped areas; and
  - 6.2.5 Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and cable lines, sanitary sewers, and storm sewers.
  - 6.2.6 Lessee hereby waives any and all claims against County and Manager for compensation for any and all loss or damage sustained by reason of any defect, deficiency, or impairment of any utility system, water supply system, drainage system, heating or gas system, or air conditioning system, electrical apparatus or wire serving the Leased Premises.
- 6.3 In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint, within a period of thirty (30) days after written notice from Director or Manager to do any maintenance or repair work required to be done under the provisions of this Lease, other than preventive maintenance; or (b) within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventive maintenance only; or (c) to diligently continue to completion any repairs, replacement, rebuilding, painting or repainting as required under this Lease; then, Director or Manager may, at their option, and in addition to any other remedies which may be available to them, enter the premises involved, without such entering causing or constituting a cancellation of this Lease or an interference with the possession of the Leased Premises, and repair, replace, rebuild or paint all or any part of the Leased Premises or the Improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to County or Manager by Lessee on demand. Provided, however, if, in the opinion of Director, Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of County or other tenants at the Airport, and Director so states same in a notice to Lessee, Director

may, at his/her sole option, in addition to all other remedies which may be available to him/her, elect to perform such maintenance at any time after the giving of such notice, and Lessee agrees to pay to County the cost and expense of such performance on demand. Furthermore, should County, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result thereof except for claims for damages arising from County's or Manager's sole gross negligence. The foregoing shall, in no way, affect or alter the primary obligations of the Lessee as set forth in this Lease, and shall not impose or be construed to impose upon County or Manager any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.

- 6.4 Lessee shall provide detailed plans and specifications to the Aviation Division of the Department of Public Works of the County ("Aviation Division") for any and all major repairs, constructions, alterations, modifications, additions or replacements (hereinafter referred to as "Improvements"), undertaken by the Lessee, and shall be submitted to and receive the written approval by Director prior to commencement of any improvement. Upon receipt and review by Director of the plans and specifications for the proposed Improvements, Director shall advise Lessee of his/her approval or disapproval of the proposed work, and in the event he/she disapproves, stating his/her reasons therefore. The purpose for the foregoing review and/or approval by Director is solely to ascertain compliance with internal standards of the Aviation Division and shall not relieve or excuse any need to obtain building or other permits, from having to comply with all legal requirements, or relieve the Lessee from its obligation to indemnify County under Section 14 hereof. Absolutely no work shall be commenced on the Leased Premises until building permits and all other agency approvals are obtained by Lessee.
- 6.5 If Lessee makes any Improvements without Director's approval, then, upon notice to do so, Lessee shall remove the same or, at the option of Director, cause the same to be changed to the satisfaction of Director. If Lessee fails to comply with such notice within thirty (30) days or to commence to comply and pursue diligently to completion, Director may affect the removal of, or change to, the improvement, and Lessee shall pay the cost thereof to County. Lessee expressly agrees in the making of all Improvements that, except with the written consent of Director, it will neither give nor grant, nor purport to give or grant, any lien upon the Leased Premises or upon any Improvements thereupon, or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against said Leased Premises and Improvements thereon, and Lessee will discharge any such lien within thirty (30) days after notice of filing thereof. County hereby gives notice to all persons that no lien attaches to any such Improvements.
- 6.6 Lessee agrees that any such additional construction, additions, alterations, repairs or changes in the Leased Premises shall not obligate or impose any other



legal requirement on County to extend the term of this Lease.

- 6.7 Lessee agrees to furnish County and Manager a set of “as-built” Plans and Specifications, and a Master Plan of Electrical Circuitry and Plumbing for any additional construction.

## **SECTION 7**

### **STORM WATER**

- 7.1 Notwithstanding any other provisions or terms of the Lease, Lessee acknowledges that the Airport is subject to federal storm water regulations, 40 CFR Part 122, for “vehicle maintenance shops” (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication), equipment cleaning operations and/or deicing operations that occur at the Airport as defined in these regulations and, if applicable, state storm water regulations. Lessee further acknowledges that it is familiar with these storm water regulations; that it conducts or operates “vehicle maintenance” (including vehicle rehabilitation, mechanical repairs, painting, fueling and lubrication), equipment cleaning operations and/or deicing activities as defined in the federal storm water regulations; and that it is aware that there are significant penalties for submitting false information, including fines and imprisonment for knowing violations.
- 7.1.1 Notwithstanding any other provisions or terms of the Lease, Lessee acknowledges that it has taken steps necessary to apply for or obtain a storm water discharge permit as required by the applicable regulations for the Airport, including the Leased Premises operated by Lessee. Lessee acknowledges that the storm water discharge permit issued to County or Manager may name the Lessee as co-permittee.
- 7.1.2 Notwithstanding any other provisions or terms of this Lease, including the Lessee’s right to quiet enjoyment, County, Manager and Lessee acknowledge that close cooperation is necessary to ensure compliance with any storm water discharge permit terms and conditions, as well as to ensure safety and to minimize costs. Lessee acknowledges that, as discussed more fully below, it may have to undertake to minimize the exposure of storm water (and snow melt) to “significant materials” generated, stored, handled or otherwise used by the Lessee, as defined in the federal storm water regulations, by implementing and maintaining “Best Management Practices.”
- 7.1.3 Lessee acknowledges that the Airport’s storm water discharge permit is incorporated by reference into this Lease and any subsequent renewals.
- 7.2 Permit Compliance. Director or Manager will provide Lessee with written notice of those storm water discharge permit requirements, that are in the Airport’s storm water permit, that Lessee will be obligated to perform from time to time, including, but not limited to: certification of non-storm water pollution prevention of similar



plans; implementation of “good housekeeping” measures or Best Management Practices; and maintenance of necessary records. Such written notice shall include applicable deadlines. Lessee, within seven (7) days of receipt of such written notice, shall notify Director in writing if it disputes any of the storm water discharge permit requirements it is being directed to undertake. If Lessee does not provide such timely notice, it is deemed to assent to undertake such requirements. Lessee warrants that it will not object to written notice from Director for purposes of delay or avoiding compliance.

- 7.2.1 Lessee agrees to undertake, at its sole expense, unless otherwise agreed to in writing between Director or Manager and Lessee, those storm water discharge permit requirements for which it has received written notice from Director or Manager. Lessee warrants that it shall meet any and all deadlines that may be imposed on or agreed to by Director or Manager and Lessee. Lessee acknowledges that time is of the essence.
- 7.2.2 Director or Manager agrees to provide Lessee, at its request, with any non-privileged information collected and submitted to any governmental entity pursuant to applicable storm water regulations.
- 7.2.3 Lessee agrees that the terms and conditions of the Airport’s storm water discharge permit may change from time to time, and hereby appoints Director or Manager as its agent to negotiate with the appropriate governmental entity any such permit modifications.
- 7.2.4 Director or Manager will give Lessee written notice of any breach by Lessee of the Airport’s storm water discharge permit or the provisions of this Section 8. Such a breach is material, and if of a continuing nature, County may seek to terminate this Lease pursuant to Section 22. Lessee agrees to cure promptly any breach.
- 7.2.5 Lessee agrees to participate in any organized task force or other work group established to coordinate storm water activities at the Airport.
- 7.2.6 Notwithstanding the foregoing, Lessee shall comply with all applicable laws and regulations relating to storm water discharge and County, Director or Manager’s acts, or failure to act, shall not excuse Lessee from having to meet said requirements.

## **SECTION 8**

### **TRUST DEED BENEFICIARIES AND MORTGAGEES**

- 8.1 Lessee may, with the prior written consent of Director, give, assign, transfer, mortgage, hypothecate, grant control of, or encumber Lessee’s interest under this Lease and the leasehold estate so created to a bona fide lender limited to state or federal chartered lending institution, or chartered insurance company or pension fund on the security of the leasehold estate, and Lessee may execute

any and all instruments in connection therewith necessary and proper to complete such loan and perfect security therefore to be given to such lender. One (1) copy of any and all such security devices or instruments shall be filed with Manager no later than seven (7) days after the effective date thereof, and Lessee shall give Manager written notice of any changes or amendments thereto. Any such encumbrance holder shall have the right at any time during the time of the loan and while this Lease is in full force and effect:

8.1.1 To do any act or thing required of Lessee in order to prevent a forfeiture of Lessee's rights hereunder, and all such acts or things so done shall prevent a forfeiture of Lessee's rights hereunder as if done by Lessee;

8.1.2 To realize on the security of the leasehold estate, and to acquire and succeed to the interest of Lessee hereunder by sale under the power of sale, foreclosure, or by a deed or assignment in lieu of foreclosure, and thereafter to convey, assign, or sublease said leasehold estate to any other person; provided, however, that said person shall agree to perform and be bound by any and all terms, conditions and covenants contained in this Lease.

8.2 The written consent of Director shall not be required in the case of:

8.2.1 A transfer of this Lease as the result of a sale under the power of sale or at a judicial foreclosure, or transfer as the result of a deed of trust or assignment to the encumbrance holder in lieu of foreclosure, provided the loan complies with the provisions specified above for a bona fide lender;

8.2.2 A subsequent transfer by an encumbrance holder who is a purchaser at any such sale or foreclosure, or an assignee in lieu of foreclosure; provided that, in either such event, encumbrance holder forthwith gives notice to County and Manager, in writing, of any such transfer forth the name and address of the transferee, the effective date of such transfer, and the express agreement of the transferee assuming and agreeing to perform all of the obligations under this Lease, together with a copy of the document by which such transfer was made. Any such transferee shall be liable to perform the obligations of Lessee under this Lease only so long as such transferee holds title to the leasehold estate. Such transferee shall be liable to pay County or Manager for any period of time prior to the time when such transferee takes possession of the Leased Premises; provided, however, that such obligations shall not be effective unless County shall have transmitted to encumbrance holder notice of the original Lessee's default within sixty (60) days after such default occurs. Any subsequent transfer of the leasehold estate shall not be made without the prior written consent of Director and shall be subject to conditions relating thereto, as set forth in Section 8.1;

8.2.3 Any encumbrance holder shall not be obligated to cure any default or



breach if said encumbrance holder is unable to secure possession of the Leased Premises, and if it is necessary for it to have possession of the Leased Premises, and if it is necessary for it to have possession in order for it to cure the default or breach. In the event that a period of time is necessary in order for the encumbrance holder to completely cure a default or breach, then it shall not be in default so long as it exercises diligence and proceeds promptly in curing the default or breach. The encumbrance holder shall have all the rights to mortgage or other lending documents approved by Director as herein for the appointment of a receiver, and to obtain possession of the premises, under, and in accordance with, the terms of said Deed of Trust, mortgage or other lending instrument. If the lender does not prevent the occurrence of default, the premises and all Improvements will become the property of County, which will have no obligation to any person under the loan agreement for which Lessee's interest was secured.

## **SECTION 9**

### **HAZARDOUS WASTE**

- 9.1 The Lessee shall be solely responsible for the proper management, storage, and disposal of hazardous substances and hazardous wastes used, generated, stored, disposed, treated, or caused to be present on the Leased Premises by the activities of Lessee. Notwithstanding any other provision of the Lease, Lessee shall not treat or dispose of hazardous wastes on County's premises. The Lessee shall provide all required notices, including those mandated under right-to-know laws, of the presence or use on the Leased Premises of hazardous substances, extremely hazardous substances, or hazardous wastes; shall provide all notices to appropriate authorities and to County and Manager of any releases to the environment of hazardous substances, extremely hazardous substances, or hazardous wastes; and shall obtain all permits necessary for the generation, storage, disposal, or treatment of hazardous wastes. Lessee shall manage used oil and other petroleum products as required by federal and state law and regulations. Lessee shall be solely liable for the investigation, corrective action, or remediation of any release to the environment caused by the Lessee, its invitees, employees, agents, or contractors of any hazardous waste, hazardous substance, extremely hazardous substance, oil or other petroleum-based substance.
- 9.2 For the purposes of this Lease, the terms "hazardous waste" and "hazardous substances" shall be deemed to include:
- 9.2.1 Hazardous, toxic or radioactive substances as defined in California Health and Safety Code Section 25316 as amended from time to time, or the same or a related defined term in any successor or companion statutes, crude oil or byproducts of crude oil other than that which exists on the property as a natural formation, and those chemicals and substances identified pursuant to Health and Safety Code Section 25249.8;



- 9.2.2 Substances which require investigation or remediation under any federal, state or local statute, regulation, ordinance, order action, policy or common law;
- 9.2.3 That which is or becomes defined as hazardous waste, hazardous substances, pollutant or contaminant under any federal, state or local statute, regulation, ordinance or amendment thereto, including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and/or the Resource Conservation and Recovery Act (RCRA);
- 9.2.4 That which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or likewise hazardous and is or may become regulated by any governmental authority, agency, department, commission, board of instrumentality of the United States, the State of California or any political subdivision thereof;
- 9.2.5 Substances present on or about the Leased Premises which cause or threaten to cause a nuisance thereupon or to adjacent properties or pose a hazard to the health and safety of persons on or about such property;
- 9.2.6 Without limitation, substances containing gasoline, diesel fuel or other petroleum hydrocarbon;
- 9.2.7 Without limitation, substances containing polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation.
- 9.3 Lessee will provide containers and be responsible for the collection and disposal of waste, oils and solvents generated by Lessee's or sublessees' activities
- 9.4 In the event of spillage, leakage, or escape ("release") of any hazardous substances for any reason, Lessee shall immediately notify Director at 1(800) 675-4357(HELP), and make necessary repairs and erect necessary restraints and impoundments to prevent discharge into any property, channel, ocean drainage system or underground reservoirs. Lessee shall also promptly remove any and all hazardous substances that may have leaked, spilled or escaped and restore the Leased Premises and all other affected properties and/or facilities to their former condition or equivalent to Director's satisfaction, or as otherwise required by applicable law.

## **SECTION 10**

### **ADDITIONAL OBLIGATIONS OF LESSEE**

- 10.1 Lessee may store aircraft components, equipment, parts, non-flammable and non-hazardous bulk liquids, scrap lumber, metal, machinery or other materials related to the conduct of its business on the Leased Premises, provided,

however, that such storage shall be done only within a fully enclosed area screened from view. No storage may be done on any apron, ramp or taxiway, without prior written approval of the Manager.

- 10.2 Derelict aircraft, inoperative ground vehicles, unused ramp equipment, scaffolding, hoists and related items not regularly and routinely in use as part of Lessee's business shall not be kept on the Leased Premises unless such materials are maintained within a fully enclosed, permanent structure.
- 10.3 No portable structures are allowed to be placed or to remain on the Leased Premises. Portable structures include, but are not limited to, campers, recreational vehicles (RVs), trailers, portable hangars, storage containers, or like non-permanent structures.
- 10.4 Violation of the requirements of these Sections 10.1, 10.2 and 10.3 shall be deemed a default if the condition has not been cured to the satisfaction of the Manager within thirty (30) days of posting of the property, or notice to Lessee to remove said stored equipment or materials.
- 10.5 Lessee shall conduct its operations hereunder in an orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others.
- 10.6 Further, Lessee shall take all reasonable measures not to produce on the Airport any disturbance that interferes with the operation by County or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport.
- 10.7 Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon reasonable objection from Director or Manager concerning the conduct or demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.
- 10.8 Lessee shall comply with all applicable environmental, health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations and requirements. Lessee agrees to allow Director or Manager access to premises and records (upon at least 24 hours' advance written notice and during normal business hours, except in the case of emergency) to investigate compliance with all applicable laws...
- 10.9 Lessee shall comply with all written instructions of Director or Manager and applicable federal, state, and local laws, ordinances, and regulations in disposing of trash, garbage and other refuse. The frequency of removal thereof from the Airport premises shall, at all times, be subject to the rules, regulations and approval of Director or Manager. All disposal of trash, garbage, refuse and wastes shall be at regular intervals and at the expense of the Lessee.



- 10.10 Lessee shall not commit, nor permit to be done, anything which may result in the commission of a nuisance, waste, or injury on the Leased Premises.
- 10.11 Lessee shall not do, nor permit to be done, anything which may interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection system, sprinkler system, alarm system and fire hydrants and hoses, if any, installed or located on the Leased Premises.
- 10.12 Lessee shall take measures to insure security in compliance with Federal Air Regulations and the Airport Security Plan.
- 10.13 Lessee shall not do, nor permit to be done, any act or thing upon the Leased Premises, which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by the Lease.
- 10.14 Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Leased Premises. The term "working supply", as used in this subsection 10.14, shall mean the amount consumed by Lessee during any normal work day. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.
- 10.15 Except for services permitted under Section 3 hereof to be performed by Lessee or Lessee's subcontractors, Lessee shall provide prompt written notice to Director or Manager of any person, firm or corporation performing work on the Leased Premises for commercial purposes without a valid permit from Director or Manager.
- 10.16 It is the intent of the Parties hereto that noise, including, but not limited to, noise caused by aircraft engine operation, shall be held to a minimum. To this end, Lessee will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof, or any other noise, to a minimum by the use of such methods or devices as are practicable, considering the extent and type of the operations of the Lessee, but in no event less than those devices or procedures that are required by federal, state or local law. In addition, Lessee shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways now located on, or which, in the future, may be located on areas adjacent to the Leased Premises.

## **SECTION 11**

### **INGRESS AND EGRESS**

- 11.1 The Lessee shall have the right of ingress and egress to and from the Leased Premises and the public landing areas at the Airport by means of roadways and connecting taxiways, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public.



- 11.2 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. County may, at any time, temporarily or permanently, close or consent to or request the closing of any such roadway or taxiway and any other way at, in or near the Leased Premises, presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges County and Manager, their officers, employees and agents, and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now, or at any time hereafter, have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that a reasonable means of access to the Leased Premises remains available to the Lessee, whether within the Leased Premises or outside the Leased Premises at the Airport, unless otherwise mandated by safety considerations or lawful exercise of police power. The Lessee shall not do, or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways near the Leased Premises.

## **SECTION 12**

### **INSURANCE, DAMAGE OR DESTRUCTION**

- 12.1 Lessee, and all of its tenants and sublessees, shall maintain, at a minimum, the applicable coverage and limits of insurance set forth in the Minimum Standards, as may be amended by County from time to time, included with this Lease as Exhibit E.
- 12.2 To safeguard the interests of County and Manager, the Lessee, at its sole cost and expense, shall procure and maintain, throughout the term of this Lease, insurance protection for "all risk" coverage on the structure and improvements, of which the Leased Premises is a part, to the extent of One Hundred Percent (100%) of the actual replacement cost thereof, with insurance companies licensed to do business in the State of California. If said insurance company becomes financially incapable of performing under the terms of said policy, the Lessee shall promptly obtain a new policy issued by a financially responsible carrier and shall submit such new policy, as previously provided.
- 12.2.1 The above-stated property insurance shall name County and Manager as Additional Insureds, provide thirty (30) days' written notice of cancellation or material change by registered mail to the Office of the Airport Manager, and have a deductible amount not to exceed Ten Thousand Dollars (\$10,000.00) per occurrence.
- 12.2.2 The Lessee shall provide a copy of the above-stated property insurance policy to the Office of the Airport Manager within seven (7) days of the Commencement Date of this Lease. Upon the failure of the Lessee to maintain such insurance as above provided, County, at its option, may

take out such insurance and charge the cost thereof to Lessee with the next installment of the monthly fee due hereunder, or may declare a default hereunder pursuant to Section 22 herein.

- 12.3 In the event any improvements, insurable or uninsurable, on the Leased Premises are damaged or destroyed (except damage or destruction caused by Lessee as set forth in Section 12.6 hereof) to the extent they are unusable by Lessee for the purposes for which they were used prior to such damage, or same are destroyed, Lessee shall promptly repair, rebuild, or replace the damaged or destroyed portion of the Leased Premises as they were immediately prior to such casualty, except for requirements of construction codes, which shall be as of the time of repair or replacement.
- 12.4 In the event of damage or destruction to any of the Improvements upon the Leased Premises, County shall have no obligation to repair or rebuild the improvements or any fixtures, equipment or other personal property installed by Lessee pursuant to this Lease. Upon the failure of Lessee to repair or rebuild, County may, as agent of the Lessee, repair or rebuild such damage or destruction at the expense of Lessee, which expense shall be due and payable on demand.
- 12.5 Upon completion of all the work, the Lessee shall certify in writing that such rebuilding and repairs have been completed, that all costs in connection therewith have been paid by the Lessee, that said costs are fair and reasonable, and that said certification shall also include an itemization of costs. If the insurance proceeds are not sufficient, the Lessee agrees to bear and pay the deficiency. Nothing contained herein shall be deemed to release the Lessee from any of its repair, maintenance or rebuilding obligations under this Lease.
- 12.6 Lessee shall, at its expense, repair and replace any and all fixtures, equipment and other personal property necessary to properly and adequately continue its Airport business on the Airport, but in no event shall Lessee be obligated to provide equipment and fixtures in excess of those existing prior to such damage or destruction. During such period of repair or reconstruction, but not to exceed a period of six (6) months, the rentals provided for elsewhere herein shall be proportionately abated during the period from the date of such damage, destruction or loss until the same is repaired, replaced, restored or rebuilt, provided Lessee does not use said damaged Leased Premises or the location thereof for any purposes other than the repair or rebuilding of same. Such abatement shall not exceed the actual time required for arranging for and the doing of such work. The proportional amount of reduction of rentals will be directly related to the percent of Airport business adversely affected. Lessee agrees that such work will be promptly commenced and prosecuted to completion with due diligence, subject to delays beyond Lessee's control.
- 12.7 In the event the Improvements on the Leased Premises are damaged or destroyed by fire or other cause by reason of any negligent act or omission of the



Lessee or its employees, this Lease shall continue in full force and effect, notwithstanding the provisions of Sections 12.3, 12.4, 12.5 and 12.6 hereof, and the Lessee shall repair or rebuild the Improvements so damaged or destroyed, at Lessee's own cost and expense, in a good workmanlike manner to the same standards existing at the time of the casualty, subject to applicable building codes existing at the time of repair or rebuilding.

- 12.8 Notwithstanding anything to the contrary above, in the event more than 25% of improvements of the Leased Premises are damaged or destroyed, and such damage is not covered by the "all risk" property insurance required by Section 12.2 above, or occurs within the last year of the term of the lease, Lessee may, in its sole and absolute discretion, elect to terminate this Lease by providing written notice to County within (60) days after the occurrence of such damage or destruction.

### **SECTION 13**

#### **LIABILITIES AND INDEMNITIES**

13.1 Indemnification provisions of this document are intended to apply to the California Environmental Response, Compensation and Liability Act (CERCLA) as well as to liability under the California Health and Safety Code.

13.2 Lessee agrees to indemnify, defend, release, save and hold harmless County and Manager, and their officials, employees, officers, districts and agents (collectively, "Indemnified Parties" or singularly, "Indemnified Party") from and against all claims, actual damages (including, without limitation, special and consequential damages), injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal and administrative proceedings, interest, fines, incremental increases in subsequent fine levels solely due to the activities covered by this Indemnification, charges, penalties and expenses (including, without limitation, reasonable attorneys', engineers', consultants' and expert witness' fees and costs incurred in defending against any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by any Indemnified Party, directly or indirectly arising from, or attributable to, the activity of Lessee, except to the extent of County's or Manager's negligence.

13.3 In addition to Lessee's undertaking, as stated in this Section 13, and as a means of further protecting the County, Manager, and their respective officers, agents, servants, contractors and employees, Lessee shall, at all times, during the term of this Lease obtain and maintain in effect insurance coverage as set forth in the Minimum Standards attached as Exhibit E and Exhibit C attached hereto and made a part hereof. In this connection, Lessee agrees to require its contractors doing work on the Airport, and Lessee's tenants and sublessees, to carry adequate insurance coverage, and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or Parties as additional named insureds. The County reserves the right to increase the



minimum insurance requirements set forth in the Minimum Standards and Exhibit C when, in the County's Risk Manager's opinion, the risks attendant to Lessee's operations hereunder have increased.

- 13.4 The Lessee represents that it is the owner of, or fully authorized to use, any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under, or in anywise connected with, this Lease. The Lessee agrees to save and hold County, Manager, their officers, employees, agents, contractors and representatives free and harmless of, and from, any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under, or in anywise connected with, this Lease.
- 13.5 The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Lease, and that there is no such broker who is, or may be entitled to be, paid a commission in connection therewith. The Lessee shall indemnify, defend, save and hold harmless County and Manager of, and from, any claim for commission or brokerage made by any such broker when such claim is based, in whole or in part, upon any act or omission of the Lessee.
- 13.6 If, for any reason, Lessee shall neglect or fail to insure, or cause to insure and keep insured, those policies applicable per the Minimum Standards and those shown on Exhibit C required by this Lease, or to pay the premiums therefore, County or Manager may, at their option, procure or renew such insurance and pay the premiums thereon. Any amount paid for said insurance by County or Manager shall become immediately due and payable by Lessee to County or Manager. The premiums paid by County or Manager shall accrue simple interest at a rate of one-and-one-half percent (1.5%) per month until paid in full by the Lessee.

#### **SECTION 14**

##### **RULES AND REGULATIONS AND MINIMUM STANDARDS**

- 14.1 From time to time, County may adopt and enforce rules and regulations and minimum standards with respect to the occupancy and use of the Airport. Lessee agrees to observe and obey any and all rules and regulations, minimum standards, and all other federal, state and municipal rules, regulations and laws, and to require its officers, agents, employees, contractors, suppliers, tenants, sublessees, and invitees to observe and obey the same. Director or Manager reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations, minimum standards or laws. Lessee hereby acknowledges receipt of a current copy of such County Rules and Regulations and Minimum Standards, attached as Exhibits D and E.

**SECTION 15**  
**SIGNS**

- 15.1 Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to, and in accordance with, the written approval of Director or Manager, and said approval shall not be unreasonably withheld. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or other traffic, or which fails to conform to the architectural scheme of the Airport or meet the requirements of County.

**SECTION 16**  
**ASSIGNMENT AND SUBLEASE**

- 16.1 Subject to Section 9 above, Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Lease or any part thereof, or any rights created thereby, without the prior written consent of Director, whose consent shall not be unreasonably withheld, provided, however, Lessee may assign this lease without the County's consent to any entity which is controlled directly or by Lessee.
- 16.2 Any attempted assignment or transfer of this Lease, or any rights of Lessee hereunder, without the consent of Director, shall entitle County at its option to forthwith cancel this Lease.
- 16.3 Any assignment of this Lease, approved and ratified by Director, shall be on the condition that the assignee accepts and agrees, in writing, to all of the terms, conditions and provisions of this Lease, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including, but not limited to, the payment of all sums due, and to become due by Lessee under the terms hereof.
- 16.4 Subject to all of the terms and provisions hereof, Lessee may, without the prior written consent of Director, sublet a portion or portions of the Leased Premises to a person, partnership, firm or corporation, for the purpose of aircraft storage, provided that the term of the sublease does not exceed sixty (60) months, and the name, address, phone number and plane type and tail number are supplied to the Manager.
- 16.5 No consent by Director to assignment or subleasing by Lessee of portions of the Leased Premises shall, in any way, relieve Lessee of any of its obligations to County set forth or arising from this Lease, and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.
- 16.6 Any assignment or sublease shall require Lessee to provide to Director and Manager the following sublessee information: Tenant name, address, phone/fax



number, email address, plane type, tail number, proposed use, and financial statement.

- 16.7 No consent to subleasing by the Lessee to a person, corporation or partnership conducting any business for profit derived from activities at the Airport shall be granted by Director without a duly executed Commercial Operator Permit between Director or Manager and the sublessee, which Commercial Operator Permit shall not be unreasonably withheld, and shall be on terms similar to other Commercial Operator Permits being issued by the County at that time.
- 16.8 If the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this Lease or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Section 16, or if the Leased Premises are occupied by anyone other than the Lessee in violation of this Section 16, County or Manager may collect from any assignee, sublessee or anyone who claims a right to this Lease or who occupies the Leased Premises, any charges or fees payable by it and may apply the net amount collected to the rents herein reserved; and no such collection shall be deemed a waiver by County of the agreements contained in this Section 16 nor of acceptance by County of any assignee, claimant or occupant, nor as a release of the Lessee by County from the further performance by the Lessee of the agreements contained herein.
- 16.9 For the purposes of this Section 16, any assignment of stock by merger, consolidation or liquidation, or any change in the ownership of, or power to vote, a majority of the outstanding voting stock of Lessee from owners of such stock, or those controlling the power to vote such stock on the date of this Lease, shall be considered an assignment.

#### **SECTION 17** **CONDEMNATION**

- 17.1 In the event that the Leased Premises or any material part thereof shall be condemned and taken by authority of eminent domain for any purpose during the term of this Lease, rentals for that portion of the Leased Premises so taken shall be abated from the date that Lessee is dispossessed therefrom; provided, however, if the remaining portion of the Leased Premises is insufficient for Lessee's operations authorized hereunder, Lessee may terminate this Lease and all of its rights and unaccrued obligations hereunder effective as of the date it is dispossessed of the condemned portion (or effective as of any date thereafter and within ninety (90) days of the date of such dispossession) by giving Director thirty (30) days' written notice of such termination.

#### **SECTION 18** **NON-DISCRIMINATION**

- 18.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree



as a covenant running with the land that, in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a United States Government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

- 18.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any Improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by, or pursuant to, Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- 18.3 In this connection, County reserves the right to take whatever action it might be entitled by law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by Director to cease and desist, will constitute a material breach of this Lease and will entitle County, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.
- 18.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public, and shall include thereon a provision granting County a right to take such action as the United States may direct to enforce such covenant.
- 18.5 The Lessee shall indemnify, defend, release, save and hold harmless County, Manager, and their officers, agents, servants and employees from any and all claims and demands of third persons including the United States of America resulting from the Lessee's noncompliance with any of the provisions of this Section 18, and the Lessee shall reimburse County or Manager for any loss or expense incurred by reason of such noncompliance.

**SECTION 19**  
**GOVERNMENTAL REQUIREMENTS**

- 19.1 The Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereat.
- 19.2 The Lessee shall pay all taxes, license, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted or imposed on the Leased Premises or operation hereunder, or on the gross receipts or income to Lessee therefrom, including any possessory right which Lessee may have in or to Leased Premises covered hereby or Improvements thereon by reason of its possessory rights, use or occupancy thereof, and shall make all applications, reports and returns required in connection therewith. Lessee shall be solely responsible for the payment of such taxes, assessments, fees or charges. In the event any such taxes or assessments described in this Section 19 are charged to Manager, Manager shall notify Lessee in writing of the amount due, and Lessee shall pay Manager said amount within thirty (30) days of such notice. In the event of failure to pay said taxes before delinquency and/or pay Manager the required amount within thirty (30) days, County or Manager may elect to treat such failure as a material breach of this Lease by Lessee.

**SECTION 20**  
**RIGHTS OF ENTRY RESERVED**

- 20.1 County and Manager, by their officers, employees, agents, representatives and contractors, shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes, provided such action by County or Manager, their officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises. Except in the case of an emergency, the County shall give Lessee at least 24 hours' advance written notice prior to entering any buildings of Lessee located on the Leased Premises.
- 20.2 Without limiting the generality of the foregoing, County, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto, as may, in the opinion of County, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof, and in connection with such maintenance use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair, alteration or new construction, County



shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee. It is specifically understood and agreed that the reservation of the aforesaid right by County shall not impose or be construed to impose upon County any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the Leased Premises.

20.3 In the event that any personal property of Lessee shall obstruct the access of County, its officers, employees, agents or contractors, or the utility company furnishing utility service to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance or repair of any such system, Lessee shall move such property, as directed by Director, Manager or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from Director, Manager or said utility company to do so, Director, Manager or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result therefrom, except for claims for damages arising from County's or Manager's sole negligence.

20.4 Exercise of any or all of the foregoing rights, by County, or others under right of County, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

## **SECTION 21**

### **ADDITIONAL RENTS AND CHARGES**

21.1 Except as provided in Section 6.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from Director or Manager to perform, or commence to perform, any obligation required herein to be performed by Lessee, Director or Manager may enter the Leased Premises (without such entering causing or constituting a cancellation of this Lease or an interference with the possession of such Leased Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to County or Manager upon demand such charge in addition to other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform any such obligation endangers the safety of the public or employees or property of County, or other tenants of the Airport, and Director or Manager so states in its notice to Lessee, County or Manager may perform such obligation of Lessee at any time after the giving of such notice, and charge to the Lessee the reasonable cost and expense thereof, which Lessee shall pay upon demand.

21.2 If County or Manager elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this



Lease, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by County or Manager as the result of such failure, neglect or refusal of Lessee, including interest, not to exceed the prime rate plus 2% as published by the *Wall Street Journal*, together with all costs, damages and penalties, such interest to accrue if Lessee fails to pay such amount owing to the County within 15 days after receipt of an invoice or notice from the County concerning such expense. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent recoverable by County or Manager in the same manner and with like remedies as if it were originally a part of the rent provided for in this Lease.

## **SECTION 22**

### **DEFAULT; TERMINATION BY COUNTY**

- 22.1 In the event of a default on the part of Lessee in the payment of rents, or any other charges required by this Lease to be paid to County or Manager, Director or Manager shall give written notice to Lessee (and any lenders of Lessee that the County or Manager has received notice of) of such default, and demand the cancellation of this Lease, or the correction thereof. If, within thirty (30) days after the date Director or Manager gives such notice, Lessee (or Lessee's lender) has not corrected said default and paid the delinquent amount in full, this Lease and all rights and privileges granted hereby in and to the Leased Premises shall terminate, with County's approval.
- 22.2 Payment by Tenant; Non-Waiver. County's or Manager's acceptance of rent (including, without limitation, through any "lockbox") following a notification of Default shall not waive County's or Manager's rights regarding such Default. No waiver by County or Manager of any violation or breach of any of the terms contained herein shall waive County's or Manager's rights regarding any future violation of such terms. County's or Manager's acceptance of any partial payment of rent shall not waive County's or Manager's rights with regard to the remaining portion of the rent that is due, regardless of any endorsement or other statement on any instrument delivered in payment of rent or any writing delivered in connection therewith; accordingly, County's or Manager's acceptance of a partial payment of rent shall not constitute an accord and satisfaction of the full amount of the rent that is due.
- 22.3 This Lease, together with all rights and privileges granted in and to the Leased Premises, shall terminate automatically, upon the happening of any one or more of the following events:
- 22.3.1 The filing of Lessee of a voluntary petition in bankruptcy, or any assignment for benefit of creditors of all or any part of Lessee's assets; or,
- 22.3.2 Any institution of proceedings in bankruptcy against Lessee; provided,

however, that the Lessee may defeat such termination if the petition is dismissed within sixty (60) days after the institution thereof; or,

22.3.3 The filing of a petition requesting a court to take jurisdiction of Lessee or its assets under the provisions of any Federal reorganization act; provided, however, that the Lessee may defeat such termination if the petition is dismissed within sixty (60) days after the institution thereof; or

22.3.4 The filing of a request for the appointment of a receiver or trustee of Lessee's assets by a court of competent jurisdiction, or the request for the appointment of a receiver or trustee of Lessee's assets by a voluntary agreement with Lessee's creditors; provided, however, that the Lessee may defeat such termination if the petition is dismissed within sixty (60) days after the institution thereof; or,

22.3.5 The abandonment by Lessee of the conduct of its authorized Airport business at the Airport, and in this connection suspension of operations for a period of thirty (30) days will be considered abandonment in the absence of a satisfactory explanation which is accepted in writing by Director, unless said abandonment is necessitated by the occurrence of a natural disaster, or casualty, or event which renders the premises unfit for occupation or its intended purpose.

22.4 Upon the default by Lessee in the performance of any covenant or conditions required to be performed by Lessee, and the failure of Lessee to remedy such default for a period of thirty (30) days after receipt of written notice from Director or Manager to remedy the same (except as otherwise provided in Section 6.3 (b) above) and, except default in the timely payment of any money due County or Manager, County shall have the right to cancel this Lease for such cause.

22.5 Upon the default of Lessee, and the giving of notice by Director or Manager to cancel this Lease as provided for elsewhere herein, said notice of cancellation shall be final; provided, however, that if Lessee is diligently remedying such default to completion, said notice of cancellation shall be held in abeyance. If, however, Director or Manager determines that such default is no longer being diligently remedied to conclusion, Director or Manager shall so advise Lessee in writing, and said notice of cancellation shall no longer be held in abeyance for any reason and shall become final without further notice to Lessee.

22.6 Upon the cancellation or termination of this Lease for any reason, all rights of the Lessee, tenants and any other persons in possession shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Leased Premises. Upon said cancellation or termination of this Lease for any reason, the Leased Premises, except for such personal property which may be removed from said Leased Premises as provided for elsewhere herein, shall be free of all encumbrances and all claims of Lessee, its tenants, creditors, trustees, assigns and all others, and County shall have



immediate right of possession to the Leased Premises.

- 22.7 Failure by County, Director or Manager to take any authorized action upon default by Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by Lessee shall not be construed to be, nor act as, a waiver of said default nor of any subsequent default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by Lessee. Acceptance of rentals by County or Manager under the terms hereof, for any period or periods after a default by Lessee of any the terms, covenants and conditions herein required to be performed, kept and observed by Lessee shall not be deemed a waiver or estoppel of any right on the part of Director or Manager to cancel this Lease for any subsequent failure by Lessee to so perform, keep or observe any of said terms, covenants or conditions.

### **SECTION 23**

#### **TERMINATION BY LESSEE**

- 23.1 In addition to any other right of cancellation herein given to Lessee, or any other rights to which it may be entitled to by law, equity or otherwise, as long as Lessee is not in default in payment to County or Manager of any amounts due County or Manager hereunder this Lease, Lessee may cancel this Lease and thereby terminate all of its rights and unaccrued obligations hereunder, by giving County and Manager written notice upon or after the happening of the following events:

23.1.1 Issuance by a court of competent jurisdiction of an injunction which, in any way, substantially prevents or restrains the use of the Leased Premises, or any part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the Party against whom the injunction has been issued has exhausted or abandoned all appeals, or one hundred twenty (120) days, whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or,

23.1.2 The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as substantially to restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

### **SECTION 24**

#### **SURRENDER AND RIGHT OF RE-ENTRY**

- 24.1 Upon the cancellation or termination of this Lease pursuant to any terms hereof, Lessee agrees peaceably to surrender up the Leased Premises to County or Manager in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by Lessee;



save and except: (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance; (b) obsolescence in spite of repair; and (c) damage to, or destruction of, the leasehold Improvements for which insurance proceeds are received by County. Upon such cancellation or termination, County or Manager may re-enter and repossess the Leased Premises together with all Improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Lease, at County's election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation or termination, and for which period Lessee will pay to County or Manager current Lease rentals), or during the term of this Lease, Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Leased Premises, provided the removal thereof does not impair, limit or destroy the utility of said Leased Premises or building for the purpose for which they were constructed or improved, and provided further, that Lessee repairs all damages that might be occasioned by such removal, and restores the building and site to the condition above required.

## **SECTION 25**

### **SERVICES TO LESSEE**

- 25.1 County covenants and agrees that, during the term of this Lease, it will operate the Airport as such for the use and benefit of the public, provided, however, that County may prohibit or limit any given type, kind, or class of aeronautical use of the Airport, if such action is necessary for the safe operation of the Airport, or necessary to serve the civil aviation needs of the public. County further agrees to use its best efforts to maintain the runways and taxiways in good repair. County agrees to keep in good repair hard-surfaced public roads for access to the Leased Premises. County agrees to take reasonable measures for security at the Airport.
- 25.2 County, as owner of the Heating, Ventilation and Air Conditioning (HVAC) System in the Terminal Building, agrees to take reasonable measures to ensure that the HVAC System is operational and available to Lessee between the hours of 7:00 a.m. and 8:00 p.m. daily.
- 25.3 Lessee will contract with the furnishers of all utilities for the furnishing of such services to the Leased Premises and shall pay for all water, gas, electricity (consistent with Section 4.8.1 of this Lease), sanitary sewer service, other utilities, telephone, and burglary and fire protection services furnished to the Leased Premises.
- 25.4 Lessee will also contract with the furnishers of all other utilities and services they may require for the furnishing of such services to the Leased Premises and shall pay for all other utilities and services.

**SECTION 26**  
**SURVIVAL OF THE OBLIGATIONS OF THE LESSEE**

- 26.1 In the event that the Lease shall have been terminated in accordance with a notice of termination as provided in Section 22 hereof, all the obligations of the Lessee under this Lease shall survive such termination, re-entry, regaining or resumption of possession, and shall remain in full force and effect for the full term of this Lease, and the amount or amounts of damages or deficiencies shall become due and payable to County or Manager to the same extent, at the same time or times, and in the same manner, as if no termination, re-entry, regaining or resumption of possession had taken place. County or Manager may maintain separate actions each month to recover the damage or deficiency then due, or at its option, and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Lease.
- 26.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession), on account of the Lessee's rental obligations, shall be the sum of the following:
- 26.2.1 The amount of the total of all installments thereof payable prior to the effective date of termination, except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Lease remains in effect, on the basis of the total days in the month;
- 26.2.2 An amount equal to all expenses incurred by County or Manager in connection with regaining possession, restoring the Leased Premises, acquiring a new lease for the Leased Premises, legal expenses (including, but not limited to, attorney's fees), putting the Leased Premises in order, maintenance and brokerage fees;
- 26.2.3 An amount equal to any deficiency for the remaining term of the Lease, computed in accordance with the provisions of Section 26.2.1.

**SECTION 27**  
**USE SUBSEQUENT TO CANCELLATION OR TERMINATION**

- 27.1 County, upon termination or cancellation pursuant to Section 22 hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm or corporation to enter upon the Leased Premises and use the same. Such use may be of part only of the Leased Premises, or of the entire Leased Premises, together with other premises, and for a period of time the same as, or different from, the balance of the term hereunder remaining, and on terms and conditions the same as, or different from, those set forth in this Lease.
- 27.2 County shall also, upon said termination or cancellation, or upon re-entry,



regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purpose of the Lessee under this Lease, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided that any structural changes shall not be at Lessee's expense.

- 27.3 In the event, either of use by others or of any actual use and occupancy by County, there shall be credited to the account of the Lessee against its survived obligations hereunder, any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said Leased Premises or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Lease, or from the market value of the occupancy of such portion of the Leased Premises as County may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by County in connection therewith. No such use and occupancy shall be, or be construed to be, an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of any rights of County hereunder. County will use its best efforts to minimize damages to Lessee under this Section 27.

#### **SECTION 28**

#### **LIMITATION OF RIGHTS AND PRIVILEGES GRANTED**

- 28.1 Except the exclusive right of Lessee to possession of the Leased Premises, no exclusive rights at the Airport are granted by this Lease and no greater rights or privileges with respect to the use of the Leased Premises or any part thereof are granted, or intended to be granted, to the Lessee by this Lease, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

#### **SECTION 29**

#### **NOTICES**

- 29.1 All notices, consents and approvals required or desired to be given by the Parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is: (i) delivered personally, by messenger, by courier or by Process Server; or (ii) deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, with return receipt requested, addressed to the recipient at the address set forth below:

To County of Los Angeles: Chief, Aviation Division  
Department of Public Works  
P.O. Box 1460  
Alhambra, CA 91802-1460



To Manager: Airport Manager  
Whiteman Airport  
12653 Osborne Street  
Pacoima, CA 91311

With copy to: President  
American Airports Corporation  
2425 Olympic Boulevard, Suite 650 East  
Santa Monica, CA 90404

To Lessee: Vista Aviation, Inc.  
10000 Airpark Way  
Pacoima, CA 91331  
Attention: Mr. John Rhodes  
(818) 896-6442 Office  
dusty@vistaaviation.com

- 29.2 Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to sender.

### **SECTION 30**

#### **HOLDING OVER**

- 30.1 No holding over by Lessee after the termination of this Lease shall operate to extend or renew this Lease for any further term whatsoever, but Lessee will, by such holding over, become the tenant-at-will of County after written notice by Director or Manager to vacate such premises; and continued occupancy thereof by Lessee shall constitute Lessee a trespasser.
- 30.2 Any holding over by Lessee beyond the thirty (30)-day period permitted for removal of fixtures without the written consent of Director or Manager shall make the Lessee liable to County or Manager for damages equal to 200% of the prevailing rent in effect at the termination of the Lease, or the market rent of the Leased Premises plus any Improvements, whichever is greater.
- 30.3 All insurance coverage that Lessee is required under the provisions hereof to maintain in effect shall continue in effect for so long as Lessee or any of Lessee's sublessees or tenants occupies the Leased Premises or any part thereof.

### **SECTION 31**

#### **INVALID PROVISIONS**

- 31.1 The invalidity of any provisions, sections, paragraphs, portions, or clauses of this Lease shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable Lease.

**SECTION 32**  
**MISCELLANEOUS PROVISIONS**

32.1 Remedies to be Nonexclusive.

All remedies provided in this Lease shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other, or of any other remedy available to County, or Lessee, at law or in equity, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

32.2 Non-Waiver of Rights.

The failure by either Party to exercise any right or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other Party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other Party, nor shall other Party be relieved thereby from its obligations under the terms hereof.

32.3 Force Majeure.

Neither Party shall be deemed in violation of this Lease if it is prevented from performing any of its obligations hereunder by reason of labor disputes, inability to procure materials, acts of God, acts of war, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control, provided, however, that this Section shall not excuse Lessee from paying the rentals herein specified.

32.4 Non-liability of Individuals.

No director, officer, official, agent or employee of either Party hereto shall be charged personally or held contractually liable by, or to, the other Party under any term or provision of this Lease, or of any supplement, modification or amendment to this Lease because of any breach thereof, or because of his or their execution or attempted execution of the same.

32.5 Quiet Enjoyment.

County covenants that as long as Lessee is not in default of any provision of this Lease, Lessee shall and may peaceably and quietly have, hold and enjoy the Leased Premises exclusively to it during the term hereof unless sooner canceled, as provided in this Lease.

32.6 Estoppel Certificate.

Within ten (10) business days after request, each party agrees to deliver to the requesting party an estoppel certificate covering such information concerning this lease as the requesting party may reasonably request.

32.7 General Provisions.

Lessee shall not use, or permit the use of, the Leased Premises, or any part thereof, for any purpose or use other than those authorized by this Lease.

- 32.8 This Lease shall be performable and enforceable in Los Angeles County, California, and shall be construed in accordance with the laws of the State of California.
- 32.9 This Lease is made for the sole and exclusive benefit of County, Manager and Lessee, their successors and assigns, and is not made for the benefit of any Third Party.
- 32.10 In the event of any ambiguity in any of the terms of this Lease, it shall not be construed for or against any Party hereto on the basis that such Party did or did not author the same.
- 32.11 All covenants, stipulations and agreements in this Lease shall extend to and bind each Party hereto, its legal representatives, successors and assigns.
- 32.12 The titles of the several sections of this Lease are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.
- 32.13 Opportunity for Counsel.  
The Parties have read and understand the contents of this Lease, have had the opportunity to have the counsel of their choice review this Lease, and have been advised of such opportunity.
- 32.14 Authority.  
The persons signing this Lease hereby warrant that they have full authority to sign this Lease on behalf of the respective parties.
- 32.15 Nothing herein contained shall create or be construed to creating a co-partnership between County or Manager and the Lessee or to constitute the Lessee an agent of County or Manager. County, Manager and the Lessee each expressly disclaim the existence of such a relationship between them.
- 32.16 County Lobbyist Ordinance.  
Each County lobbyist, as defined in Los Angeles County Code Section 2.160.010, retained by Lessee, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of any County lobbyist, retained by Lessee, to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Lease, upon which County may immediately terminate or suspend this Lease.
- 32.17 Any time this lease requires a consent or approval of County or Lessee, such consent or approval shall not be unreasonably withheld or delayed, except where otherwise expressly provided. Whenever this lease grants County or Lessee a right to take action, grant consent, grant approval, exercise discretion, or make an allocation, judgment or determination, County or Lessee shall act reasonably



and in good faith.

32.18 Directory

In the event County publishes or prints a directory listing tenants at the Airport (whether in the form of a booklet, flier, electronic format or otherwise), Tenant shall be included in such directory. If the County erects a monument sign or pylon at the airport which includes a tenant directory, County agrees to allow Tenant to be listed on the directory sign consistent with other tenants at the Airport.

**SECTION 33**  
**SUBORDINATION CLAUSES**

33.1 This Lease is subject and subordinate to the following:

33.1.1 County reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee.

33.1.2 County reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the Airport which, in the opinion of County, would limit the usefulness of the Airport or constitute a hazard to aircraft.

33.1.3 This Lease is, and shall be, subordinate to the provisions of existing and future agreements between County and the United States relative to the operation or maintenance of the Airport, the execution of which has been, or may be required as, a condition precedent to the obtaining or expenditure of federal funds for the benefit of the Airport.

33.1.4 During the time of war or national emergency, County shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such lease is executed, the provisions of this Lease insofar as they may be inconsistent with the provisions of such lease to the Government, shall be suspended, but such suspension shall not extend the term of this Lease. Abatement of rentals shall be determined by County in proportion to the degree of interference with Lessee's use of the Leased Premises.

33.1.5 Except to the extent required for the performance of any obligations of Lessee hereunder, nothing contained in this Lease shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those rights where subject to Federal Aviation Administration rules, regulations and orders currently or subsequently effective.

**SECTION 34**  
**ENTIRE AGREEMENT**

34.1 The Lease consists of Sections 1 to 34, inclusive, and Exhibit A, Exhibit B, Exhibit C, Exhibit D, and Exhibit E.

34.2 Integration Clause.

The Parties acknowledge and agree that this Lease contains the entire agreement and understanding of the Parties concerning the subject matter hereof and supersedes and replaces all prior negotiations, proposed agreements and ancillary agreements, written or oral. The Parties further agree that no party has executed this Lease in reliance upon any promise, representation or warranty not contained in this Lease.

**The remainder of this page is intentionally left blank.**

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be executed by their respective officers, duly authorized by VISTA AVIATION, INC., on May 5, 2014, and by the COUNTY OF LOS ANGELES on July 31, 2014.



COUNTY OF LOS ANGELES

By Don Krake  
Chairman, Board of Supervisors

ATTEST:

SACHI A. HAMAI  
Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

AUG 05 2014

By [Signature]  
Deputy

COUNTY OF LOS ANGELES

By [Signature]  
Director of Public Works

APPROVED AS TO FORM:

JOHN F. KRATTLI  
County Counsel

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

# 4 OF JUL 22 2014

By [Signature]  
Deputy  
[Signature]  
Adrienne Byers

Sachi A. Hamai  
SACHI A. HAMAI  
EXECUTIVE OFFICER

AGREED:

JOHN RHODES  
Vista Aviation, Inc.

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

By John Rhodes  
Lessee

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors

By [Signature]  
Deputy

78224



## ACKNOWLEDGMENT

State of California  
County of **Los Angeles** ss.

On May,05, 2014 before me, **Maud Roy, Notary Public**, personally appeared **John Duncan Rhodes** who proved to me on the basis of satisfactory evidence to be the person whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies) and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

*M Roy*

Signature



(seal)

## OPTIONAL INFORMATION

Date of Document \_\_\_\_\_ Thumbprint of Signer \_\_\_\_\_

Type or Title of Document **VISTA AVIATION LEASE AGREEMENT WHITEMAN AIRPORT**

Number of Pages in Document \_\_\_\_\_

Document in a Foreign Language \_\_\_\_\_

Type of Satisfactory Evidence:

- ☐ Personally Known with Paper Identification  
☐ Paper Identification  
☐ Credible Witness(es)

Capacity of Signer:

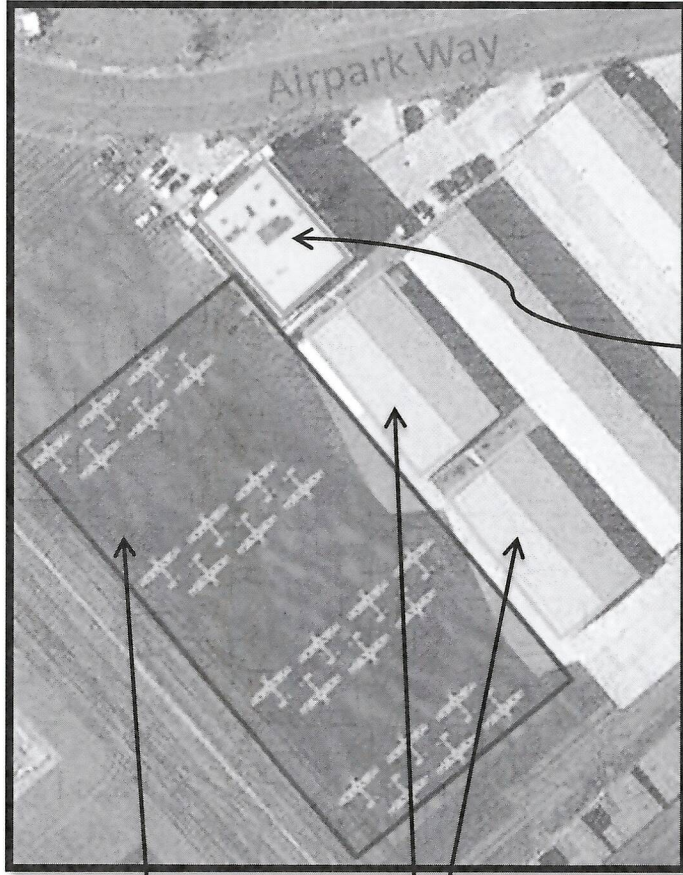
- ☐ Trustee  
☐ Power of Attorney  
☐ CEO / CFO / COO  
☐ President / Vice-President / Secretary / Treasurer  
☐ Other: \_\_\_\_\_

☐ Check here if  
no thumbprint  
or fingerprint  
is available.

Other Information: \_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT A**  
**Leased Area**

**Terminal Building Layout**



**Aircraft/Maintenance Hangars**

Two (2) Hangars

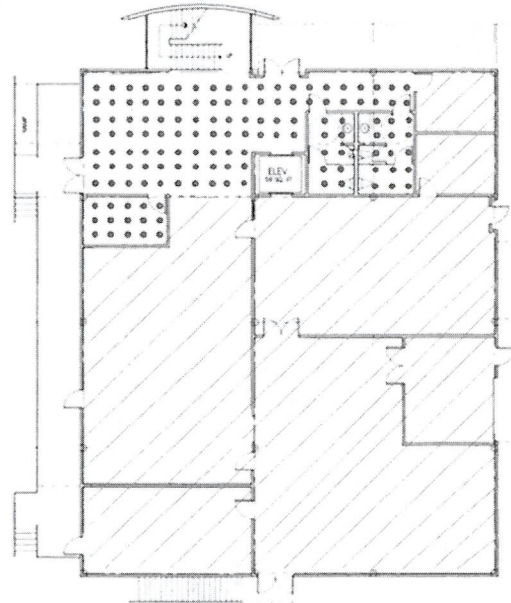
Approximate Dimensions (each): 120' x 60'

Total Square Feet (each): 7,200

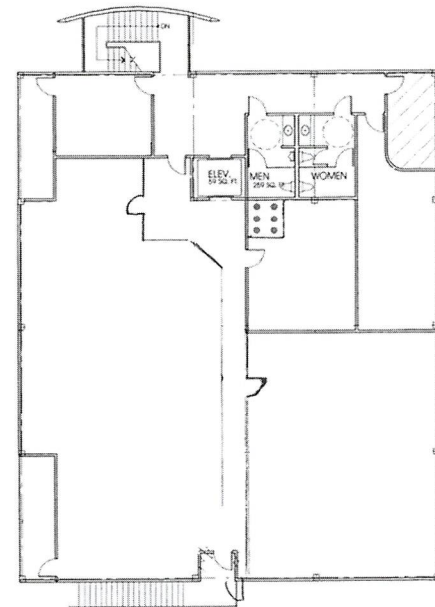
**Aircraft Tie Downs**

Maximum Twenty-Five (25) Aircraft Tie Downs

*\* Aircraft Parking Spaces Only. Ramp/Apron Area Is Not Included In the Leased Premises.*



Ground Floor



Second Floor



Common Areas



Leased Premises

**EXHIBIT B**  
**Common Area Terms of Use**

1. Lessee shall have the non-exclusive use of the Common Areas described in Sections 2.1.4 and 2.1.5 of this Lease and as shown on Exhibit A.
2. Consistent with Section 6.2.1 of this Lease, Lessee shall ensure that the Common Areas are kept in a clean and orderly condition at all times during Lessee's regular business hours.
  - a. Lessee shall ensure that the ground floor public restroom facility is clean, serviceable and fully stocked with supplies, including toilet paper, hand towels, and soap, at all times during Lessee's regular business hours.
3. Consistent with Section 6.3 of this Lease, Lessee shall repair any damage to the Common Areas caused by Lessee or its employees, officers, agents, representatives, customers, contractors, invitees, guests, visitors, and tenants.
4. Lessee is fully responsible at all times for the care and protection of all Lessee's personal property located in the Common Areas.
5. Lessee acknowledges that the Common Areas will also be used by the County's and/or Manager's employees, officers, agents, representatives, customers, contractors, invitees, guests, visitors, and tenants.
6. The Parties acknowledge that the Common Areas may be used by the Lessee, the County or the Manager on occasion for temporary commercial or non-commercial activities such as filming, photography, and/or special events. All such activities shall be properly permitted and coordinated between the Lessee and the County or Manager with all parties consenting to such activities and agreeing upon each party's roles, responsibilities and ownership of any expenses and revenues related to such activities in advance of such activities occurring in the Common Areas. Consent shall not be unreasonably withheld by the Lessee, the County or Manager.



## **EXHIBIT C**

### **Insurance**

The Lessee, in its own name as insured, and at its sole cost and expense, shall secure and maintain in continuous effect, during the term of this Lease, insurance policies issued by an insurance carrier licensed to do business in the State of California, whichever is greater, all applicable coverage and limits of insurance set forth in the Minimum Standards, as may be amended by County from time to time, included with this Lease as Exhibit E, and also providing for:

1. Workers Compensation - Coverage shall be provided for all employees. Coverage shall be for statutory limits in compliance with applicable state and federal laws. The policy must include employers liability with a minimum limit of \$100,000 (One-hundred Thousand Dollars) each accident / \$500,000 (Five-hundred Thousand Dollars) disease policy limit / \$100,000 (One-hundred Thousand Dollars) disease each employee.
2. Rental interruption insurance in the amount equal to one (1) year's rent.

The Lessee shall provide County and Manager with the Policies and Certificates indicating proof of the foregoing insurance coverages and all applicable insurance coverages in accordance with the Minimum Standards. Such certificates shall name County and Manager as Additional Insureds and provide that the carrier issuing the certificate shall notify County thirty (30) days in advance of any cancellation or material change in the terms of coverage of such insurance policies. Any such notice shall be in writing and shall be served by certified mail, return receipt requested to the Airport Manager, Whiteman Airport, 12653 Osborne Street, CA 91331. Furthermore, insurance coverages shall contain a cross-liability or severability of interest clause, and a waiver of subrogation in favor of County and Manager. In no event shall the limits of said policies be considered as limiting the liability of Lessee under this Lease. The failure of the Lessee to obtain or maintain such insurance coverage shall not relieve the Lessee from any liability arising from this Lease, nor shall any such liability be limited to the liability insurance coverage provided for herein.

**EXHIBIT D**

**Airport Rules and Regulations**

(Title 19)

Attached.

## **EXHIBIT E**

### **Minimum Standards**

Attached.



## NOTICE OF INTENTION

### TO PURCHASE REAL PROPERTY

NOTICE IS HEREBY GIVEN that it is the intention of the Board of Supervisors of the County of Los Angeles, State of California, to purchase a portion of Specialty Aero Leasing, LLC's (the Seller) leasehold interest in Lease Agreement No. 75930 located at Whiteman Airport, 10000 Airpark Way, Pacoima, California, which encompasses approximately 1.04 acres of land with improvements and appurtenances including an office building of approximately 12,000 square feet, two large aircraft maintenance/storage hangars of approximately 7,200 square feet each, and a paved vehicle parking area (the Real Property) for the sum of Four Million Nineteen Thousand Four Hundred and Eighty-Four Dollars (\$4,019,484). The purchase of the subject leasehold interest and Real Property is for airport purposes. The Real Property will serve as a new terminal building facility to accommodate airport administration and other aviation-related activities.

NOTICE IS HEREBY GIVEN that the purchase of the Real Property will be consummated by the Board of Supervisors of the County of Los Angeles, State of California, on the 22nd day of July 2014, at 9:30 a.m. in the Hearing Room of the Board of Supervisors, Room 381, Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012. No obligation will arise against the County of Los Angeles and in favor of the Seller with respect to the purchase of the Real Property described herein until the Board of Supervisors approves the purchase on the named consummation date.



SACHI A. HAMAI  
Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By \_\_\_\_\_

Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI  
County Counsel

By \_\_\_\_\_

Deputy

RS:jem

**RESOLUTION OF THE LOS ANGELES COUNTY BOARD OF SUPERVISORS  
AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA  
DEPARTMENT OF TRANSPORTATION, AERONAUTICS PROGRAM, FOR A  
LOW-INTEREST AIRPORT DEVELOPMENT LOAN TO PURCHASE THE  
LEASEHOLD INTEREST OF A PORTION OF THE SPECIALTY AERO, LLC,  
LEASEHOLD AT WHITEMAN AIRPORT, EXECUTION OF THE LOAN AGREEMENT,  
AND ACCEPTANCE OF THE FUNDS**

WHEREAS, the Department of Transportation, Aeronautics Program, provides financial assistance to public entities in the form of loans pursuant to Public Utilities Code Section 21602 and California Airport Loan Regulations; and

WHEREAS, the Director of Public Works has recommended that the County apply for a loan in the amount of \$2 million to accomplish the above action.


NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors for the County of Los Angeles authorizes the filing of a loan application with the California Department of Transportation, Aeronautics Program, for the above action.

BE IT FURTHER RESOLVED THAT the Director of Public Works is authorized to execute the loan application form, including its acceptance, and County Counsel is directed to attest the signature of the Director of Public Works.

I HEREBY CERTIFY that the foregoing resolution was introduced and read by the Los Angeles County Board of Supervisors on the 1st day of July, 2014, and the resolution was duly adopted by the Board of Supervisors of the County of Los Angeles.

COUNTY OF LOS ANGELES

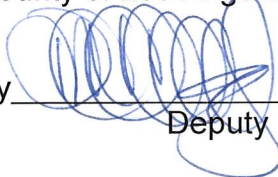
By

  
Chairman, Board of Supervisors

ATTEST:

SACHI A. HAMAI  
Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By

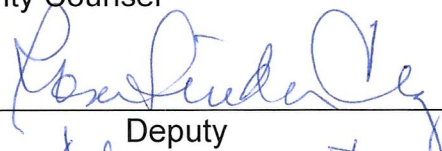
  
Deputy



APPROVED AS TO FORM:

JOHN F. KRATTLI  
County Counsel

By

  
Deputy  
